Commodity Prices in Canada Analyzed Page 4

Business at New High

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS DEPARTMENT ON PAGE 14

Vol. XXVII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JULY 22, 1933 | 10c a Copy; $5.00 a Year | No. 29

The Nation's Business

Radio Commission Under Fire

Dollar Wheat's Effect on Canada

Inside Story of Wheat Quota

Inconclusive Results by Empire Chambers

Radio Commission Nears Its End

A PICTURE of the almost unbelievable state of chaos which has developed in the newly-organized Radio Commission at Ottawa since its formation is painted this week by the Ottawa correspondent of The Financial Post.

What is forecast is that Canada's radio policy, formulated in 1932, is being rapidly discredited, and that the future of radio broadcasting in this country will not be clear until a new start is made. In the meantime many millions of dollars of taxpayers' money will have been squandered in an undertaking which, in the opinion of The Financial Post, should never have been undertaken in the first place.

* * *

Dollar Wheat Returns Again

DOLLAR wheat is back again. The news is tempered by one or two considerations. First it is not improved demand that has put wheat prices over the mystic mark at Winnipeg but largely a juggling of the monetary yardstick in the United States which has swept Canadian prices to new high levels. In June Canada exported but 17,000,000 bushels of wheat as compared with 21,500,000 in May and 16,000,000 in June a year ago. So far British and European buyers are indifferent to what is happening over here; they refuse to be intimidated by monetary gymnastics; they refuse to believe that crop conditions in Canada are as bad as they are painted. They may be wrong.

As to crop prospects themselves, reliable private agencies who keep closely in touch with the situation are now predicting that the Prairie wheat harvest will not exceed 300,000,000 bushels unless marked improvement takes place in the next three weeks. One estimate puts the figure at 275,000,000 bushels with a maximum of 325,000,000 bushels. Last year's crop was approximately 408,000,000 bushels while the ten-year average amounts to 380,000,000 bushels.

On the other hand dollar wheat means much more to the Prairie West than it did four years ago. One of our largest banks which has made a close study of the matter believes that under present bedrock production methods, a net return of 60 cents a bushel to Prairie farmers means as much in purchasing power as 90-cent wheat did four years ago. Put another way this bank feels that the average farmer in the West can cover his costs of production with wheat selling at between 60 and 65 cents a bushel at Winnipeg. The corresponding figure of four years ago would probably be nearer the 90-cent mark. Thus dollar wheat today means trebling the purchasing power of the Western farmer as compared with conditions a few years ago.

Dollar wheat is big news to Western and Eastern Canada alike. It will be bigger news if it is substantiated by a real increase in demand for our product from those that consume it.

* * *

Pool Propagandists Launch Quota Plan

A NEW voice came out of the West last week when press dispatches from Regina announced that "Prairie wheat pools and Governments" are now supporting an export wheat quota. The scheme is to be put before the London Wheat Conference (if it gets there in time) and is to supplant the plan of acreage reductions enthusiastically sponsored by Prairie premiers and

(Continued on page 2, col. 3)

Current Opinion

"Other things also are necessary if the economic morass in which we find ourselves today is not to be a recurring experience. There must be a reversion to pre-War standards of self-reliance. People must look to hard, honest work for their own money, instead of looking to the State for that of other people. Capital must be allowed to accumulate, and not be systematically destroyed by annual Budgets which are ruthless to the taxpayer, while ineffective in reducing expenditure. Governments should get out of trade wherever possible, and agree to give up uneconomic follies, such as subsidizing shipping at prodigious cost, which is doing perhaps more than anything else to retard the recovery of the world's greatest transport industry. Trade, being the province of traders, should be left as much as possible to private enterprise. Governments should confine themselves to making conditions in which business men can create industries and employment with success, and not render them impossible by pursuing policies conceived with vote-catching ends and rooted in economic fallacy."—Sir George A. Touche, Bart.

PAPERMAKERS IN U. S. FAIL AGREE ON CODE

Publishers Successful in Opposing Increased Price Levels

LEAVE RATES ALONE

Final Form of New Code Permits Present Agreements — Sets 48-Hour Week, Minimum Wage

From Our Own Correspondent

MONTREAL.—Opposition by American publishers to an upward move in the price of newsprint was successful in keeping out a higher price schedule in the code of fair competition drawn up and submitted to Washington by the American Association of Newsprint Manufacturers.

In a good many quarters it had been believed that the association would endeavor to boost the price of newsprint so as to put the manufacture of this grade of paper on a profitable basis. The existence of numerous contracts under the official price schedule and the difficulties of putting all contracts on a one-price basis, however, presented such difficulties that the code in its final form permits the existence of present agreements and reaffirms the existing minimum price schedule.

The new code provides for a 48-hour week and a minimum wage of 35 cents an hour for men and 27 cents for women.

Unfair Competition

One of the principal features of the code is the principle that it is an unfair method of competition for any manufacturer to sell below the cost of production. It is pointed out that the United States newsprint industry as a whole is selling its product below cost of production and to correct this condition, and at the same time not to embarrass the consumers of newsprint by any immediate change in price, the following provisions are established:

"At the beginning of the year 1933 the base price generally prevailing was $46 a ton. Later in the year, because of the extreme depressed condition of business a temporary discount of $5 a ton from contract price has been allowed by the manufacturers. Until a price having proper relation to cost can be determined for the industry, and approved by the president, the minimum base price of newsprint in the industry shall continue to be $46 a ton, subject to zone differentials as shown on appendix B which is hereto attached and made a part hereof, and subject to the temporary discount of $5 a ton."

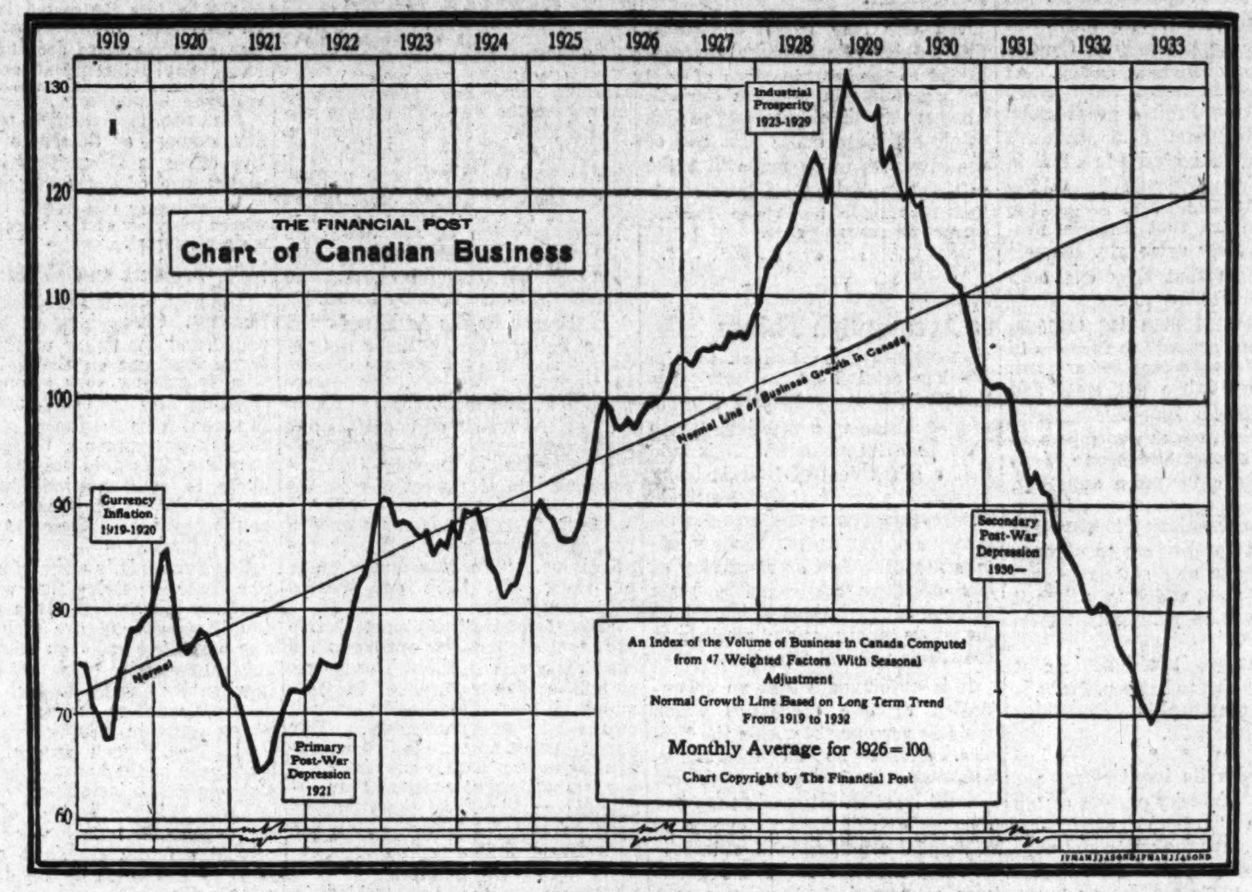
Zone Prices

Appendix B is a zone map showing the existing price differentials in different parts of the country. This map has not been given out publicly, but the price schedules are understood to be much in line with those published by International paper in its last announcement of price changes. New York is used as a base, with varying prices in other zones dependent upon freight costs.

Of considerable interest to the Canadian industry is the inclusion of a section in the code to the effect that American-owned mills in Canada are not affected by the provisions of the code. This applies

(Continued on page 2, col. 3)

Spectacular Advance By Business Index in June



Economic reconstruction made considerable progress in Canada during June, according to The Financial Post business index. The index in its preliminary form was at a higher level than at any time since April, 1932. The index based for last month on 24 factors was 81.3 compared with 73.5, the final compilation for May.

See article on page 7.

EMPIRE SEEN SAVING WORLD FROM CHAOS

Imperial Chambers of Commerce Explore Means of Recovery

URGE GOVT ECONOMY

By Staff Editor

LONDON.—Meeting under the clouds of a great international economic gathering which was crumbling to pieces, the Congress of the Federation of Chambers of Commerce of the British Empire explored the possibilities of recovery for Empire countries through policies of Imperial economic co-ordination.

The keynote of the gathering was sounded by Sir Arthur Shirley-Benn, the president, when he said in his opening remarks:

"While it is clearly desirable that a world solution for our present troubles should be found, I am emphatically of opinion that, should this prove impracticable, the Empire should not allow itself to be dragged helplessly to ruin through waiting and hoping for international action, but should strike out on a bold and courageous line of its own. In the nineteenth century Pitt was able to say, 'Let us hope that England, having saved herself by her energy, may save Europe by her example.' I believe it may yet be said of the twentieth century that the British Empire saved herself by her energy and the rest of the world by her example."

Tax Reduction Urged

The conference did not discuss at any great length the problem of the excessive cost of Government in most Empire countries, but after the case for a reduction of taxation had been presented by Dr. John W. Ross and R. P. Jellett, of Montreal, it recorded its support for a Canadian resolution urging Empire

(Continued on page 2, col. 6)

Your Securities

Stock market activity of the past few weeks has turned investors' and speculators' attention to many securities. In this issue, Post editors cover developments in many of the companies whose securities are affected.

Some of the topics which make stories are as follows:

	Page
Can Ford Make a Profit?	5
Deficit for Assoc. Telephone	13
Future for Dominion Motors	5
Goodyear Follows Autos	5
Walker's Preferred Next?	5
Colombia Pays Interest	5
C. G. I. T. Holdings Rise	13
Bruck Silk Busy	13
Pacific Mills Earnings	13
Montreal Power Expands	4
Southern Canada Pwr. Earnings	13
Dome Sets Record Pace	14
Hollinger Earns More	14
Admiral Oils Statement	14
Moss Mines to Reorganize	14
McIntyre Earnings	14
Shawinigan Earns Less	10
Siscoe Lawsuit Rumors	14
Tailings—News of 21 Mining Companies	13
Ticker Tape—Comment on 10 Investments	5

WHEAT PRICE HELD DOWN BY ARGENTINE

Australia and Argentine Supply Almost All Britain's Requirements

CROP LOOKS SMALL

From Our Own Correspondent

WINNIPEG. — The Argentine has now taken its place as a retarding influence on the rise in wheat prices, for so long as she continues to be satisfied with the level so far attained, there would seem to be difficulty in making immediate progress with an upward movement. But that country has recently seeded a large acreage to wheat, and considered condition of the crop satisfactory up to the onset of winter. Now, in mid-winter, no reason has yet appeared to doubt that the crop to be cut next December will be quite up to average, for the time of uneasiness still lies well ahead.

United States prices have now reached a level where it would be possible to land Argentine wheat in New York, pay the duty of 42 cents a bushel, and still undersell the better grades of United States wheat. The Government, by getting advice to that effect from the tariff commission, could advance the duty by 50 per cent, but some doubt begins to be felt as to the Government's willingness to take that step, which in any event, under the law, would take 30 days to become effective.

Wheat at $1.50

It would be inconsistent with recent efforts, even yet in progress to get European countries to relax restrictions on wheat imports. And to let 10 or 20 million bushels of Argentine wheat into the United States, might be a very strong influence toward working world prices to higher levels. Except for the check from such possible imports wheat at $1.50 a bushel at Chicago or even higher within the near future would seem to be almost a probability, so strongly have the public in that country taken hold of the market, in view of steadily failing prospects for production.

This influence from the Argentine has also put a brake upon the

(Continued on page 2, col. 2)

FRANCE VIEWS GERMAN NAZIS AS GANGSTERS

French Official Says Hitler's Colleagues of Base Character

GERMANS APATHETIC

Special Correspondence

PARIS.—"If you put Al Capone and a group of Chicago gangsters in the White House and let them rule the country with sawed-off shotguns you would have a parallel for the situation in Germany." This very remarkable statement was made to me by an important official of the French foreign office to whom I went for an interpretation of the French Government viewpoint on a number of European matters. I told him that I did not want his personal views about the Hitler movement nor would a diplomatic answer be of any interest to Canadian readers.

"What do the French people really think of the new Government in Germany?" was the question I asked. And under the protection of anonymity this French Government official, a man of high position, gave me an amazing answer.

Called Basest Characters

"We do not consider the Nazi Government as a representative Government of the German people," he remarked. "It is a most amazing development in a country with the high intellectual and moral influence of Germany. The men around Hitler are in a number of cases the exact counterparts of the men who have run the rum-running racket in the United States. We have reports on a number of them. These reports show that they lead the most immoral lives and are men of the basest character. Such men will stop at nothing. They have no sense of responsibility; of moral obligation to the nation. Their ambitions are personal.

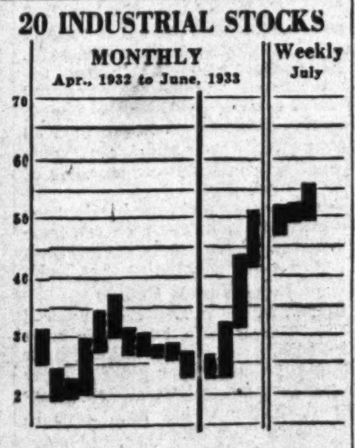
"The most amazing feature about the movement is that the moral sense of the German people has simply failed to assert itself to keep these gangsters in check. But the

(Continued on page 2, col. 5)

Stock Market

20 INDUSTRIAL STOCKS

MONTHLY Apr., 1932 to June, 1933 — Weekly July



MARKET RECORD

20 Industrial Stocks	High	Low
Week of July 18	55.7	49.7
Week of July 11	52.9	48.6
Month of July, 1932	29.7	20.2
10 Public Utilities		
Week of July 18	58	55
Week of July 11	57	54
Month of July, 1932	46	37
8 Bank Stocks		
Week of July 18	197	193
Week of July 11	196	185
Month of July, 1932	167	146

Highlights of the Week

Events and Topics That Make News for Post Readers

Newsprint Output Up

Holders of securities of pulp and paper companies will be cheered by increased production and reduced stocks of newsprint in Canada. Page 13.

Commodities Jump

Intensive survey of the Dominion Bureau of Statistics June compilation of price indices gives the first authentic data on many Canadian commodities. Page 3. Insurance firms not worrying as prices soar. Page 4.

June Insurance Sales

Companies report improved business in June throughout Canada and the United States. Page 11.

Outlook for Silver

Authorities question future as money. Price improvement affects many Canadian mines, creates speculation. Page 14.

Radio Shake-up

Important changes in national radio seen as result of alleged inefficiency of commission. Footnotes to Ottawa Column. Page 8.

Wheat Quota Plan

Switch to export quota from acreage control was natural as jurisdiction over latter would be almost impossible. Benefit to Canada would be doubtful. Page 10. Also Nation's Business Column. Page 1.

Canada Dry Plans Large Expansion Stock Jumps Up

Canada Dry Ginger Ale, Inc., stock has had a sudden rise from about $25 a share to $39 a share in consequence of reports that an expansion programme of importance is intended by the company. The Financial Post learns on good authority that there will be an announcement of importance to shareholders within a few weeks if present negotiations prove fruitful.

The company has already made a series of announcements indicating that it has made connections with European brewers to place their product in the United States. The company naturally expects to make some considerable adjustments in distributing part of its product in consequence of the United States going "wet" again.

Officials expect it will not affect output because change from "dry" to "wet" policies in Canada was accompanied by an increase in ginger ale sales.

Gasoline Prices Expected to Rise Soon in Canada

Continued increase in crude oil prices in the United States is believed to have brought about a situation where an increase in the price of gasoline is inevitable. As one after another of the big operators in the United States is joining those who have raised the price, it has made the situation in Canada decidedly uneasy.

In the middle of the most active season it was not desired by Canadian distributors to increase price if it could be avoided. Service station operators are expecting announcement of an increase in the near future.

NEW PRESIDENT IMPERIAL OIL IS OPTIMISTIC

G. H. Smith Believes Roosevelt Conservation Programme Should Succeed

AIDS CANADA

Higher Prices For Crude Essential to Preserve Great Oil Resources Controlled By Small Capitalists

Possibly no man in Canada is in a better position to understand all that is involved in the present attempt being made in the United States to iron out the complex difficulties attending the production, refining and distributing of oil products and the repercussions on Canada than is G. Harrison Smith, the new president of Imperial Oil. He is distinctly optimistic as to the chances of success of the Roosevelt programme as it pertains to oil and that means a lot from one who is a director of Standard Oil of New Jersey, which exercises responsible leadership in the industry, and who is president of International Petroleum, the value of whose crude oil production in Peru and Colombia must be based on mid-Continent prices in the United States. Imperial Oil also draws for its great refinery at Sarnia huge supplies of crude oil from the mid-Continent area through pipe lines more than 1,000 miles long in all.

Utter Demoralization Reigned

Only three months ago utter demoralization seemed to reign in the United States oil industry. Unbridled competition under unwise laws which were suitable for surface ownership but ignored the migratory character of gas and fluid oil resources at depths, had taken crude oil prices to bankruptcy levels. Efforts at control by the industry, by states, and by the Federal Government have prevented absolute disaster but have also seemed to be always on the brink of breaking down. State gasoline taxes, the large-scale bootlegging to avoid these taxes, and a continuous procession of "distress" sales made control still more difficult.

The new situation about which The Financial Post questioned Mr. Smith is that arising from the enactment of the Industrial Recovery Act in the United States and the plans made under it to bring the oil industry under control. Oil refiners and marketers, meeting in Chicago on June 24, finally approved a code of fair competition for the industry and after some opposition included a last minute clause asking the administration to fix marketing prices for petroleum.

Conservation is Major Issue

"The United States Government is justified in going very far to prevent its immense resources in crude petroleum being wasted by exploitation beyond all possible market needs," said Mr. Smith. "I think this is the most encouraging development for years and apparently the only ways of getting satisfactory results are being adopted at last."

"What are those?" he was asked.

"W. C. Teagle, president of the Standard Oil Company (New Jersey) has been selected as chairman of the Advisory Committee, not as a petroleum company executive but as an outstanding industrial leader. While his appointment was made without special reference to the oil

(Continued on page 2, col. 6)

PRICES IN U.S., U.K. REFLATION GUIDE CANADA

Conference Dead—Barren Results Expected of Skeleton Talks

MAY CHEAPEN POUND

Gold Countries Encounter Difficulties — France Will Abandon Gold if She Can Do So Blamelessly

By FLOYD S. CHALMERS
Editor, The Financial Post

LONDON.—The conference is dead, long live the conference.

Even if conversations in London are carried on in skeleton form by committees, after the main body of delegates departs, little is likely to be accomplished. It now appears that the meetings will perish in bogs and sands, although plans are being laid for reconvening several months hence. "A sailboat in a fog," is the manner in which Professor O. M. W. Sprague has described the American position, and the same description might have been applied to the whole conference.

Where does this leave matters? What is Canada's position?

Canada's future policy in trade and finance must rest on developments in Great Britain and the United States. The situation is little changed from that outlined in my first cable from London in June. Our trade is valuable to both Britain and the United States.

Our economic sympathies are divided between them. Their policies on prices and currencies will largely determine the level of the Canadian dollar and Canadian prices.

The Americans have prices on the run and like it. The British are likely to be forced into cheapening the pound.

American Position

There is no indication of how far American price-raising programme is likely to go. There is no guide to how far the American dollar may fall. The peculiar thing is that the rise of prices, and the fall of the American dollar, have taken place solely on the threat of inflation. It has been a psychological inflation. The United States has not started to use its real powers which could be brought into action if the dollar should strengthen

(Continued on page 2, col. 5)

Just Think of It!

Otto Kahn, head of Kuhn, Loeb Co., international bankers, in his evidence at Washington in accounting for the causes of the present great depression said:

"The damage was done in 1927. Money was made too easy by the Federal Reserve. Early in 1929 the Chicago Federal Reserve tried to raise its rate but the Reserve Board at Washington forbade it."

The Federal Reserve was the Central Bank for the United States. He thus admits that a central bank controlled by politicians and their friends is a menace.

This is what The Financial Post has been pointing out for years. The extraordinary thing is that this admission should come from the genial Mr. Kahn. It was the propaganda activities of his partner, Paul Warburg, that imposed the central banking system on the United States—the system which has now proved to be so disastrous. Mr. Warburg made several visits to Canada in an effort to bring us into line.

When the Warburgs had the U. S. Federal Reserve going strong, they then organized the International Acceptance Bank to be a central bank for the world. Also under the control of politicians and their friends. Last week at the Economic Conference in London an important group sought the adoption of a policy which would officially recognize this international central bank—a bank that would control the finances of Canada and every other country in the world.

The campaigning in Canadian colleges, in farm and labor circles and among theoretically minded M. P.'s during the past 15 years for a central banking system in Canada and a linking up with an International Acceptance Bank has its origin in the Warburgs of Hamburg and their allies in London, Paris and New York.

As usual, experience would seem to be our best guide.

In this depression United States banks failed by the thousands. Depositors lost hundreds of millions. But no Canadian bank failed, or has failed in years. No Canadian depositor lost a cent or has lost a cent in years. Money all along has been available freely for legitimate uses. Too freely, for our bankers have been at fault, badly, in lending unwisely, and they have made serious losses. Too often and quite wrongly our politicians have recouped our bankers or agreed to recoup them at the taxpayers' expense.

International Proprietaries Largest Earnings in History

Business in Every Country Shows Improvement Over 1932 — Exchange Improvement Improves Net Current Asset Position Materially

Largest earnings in its history are reported by International Proprietaries and subsidiaries for 1932. Moreover, The Financial Post is reliably informed that business in all parts of the world shows an improvement in 1933 over the corresponding period in 1932. Improved net current asset position is still more marked in view of the fact that improvement in exchanges of the world since 1932 has wiped out the major part of the loss that the company would have if it tried to move its net current assets to Canada. Such move is not intended.

Earnings were $1,280,358 after all operating expenses and depreciation but before taxes, bonuses, write-offs as compared with $1,233,348 in 1931, $1,234,214 in 1930 and $1,270,483 in 1929. Because taxes are higher now, net earnings are less than the record year of 1929. After paying the regular dividend of $2.60 to Class A shareholders, consolidated surplus was increased by $368,108 to $1,200,575, which surplus has been built up out of earnings since the inception of the company in May, 1928.

Consolidated Net Profit

	1931 $	1932 $
Net profit after depr.	1,233,348	1,280,359
Provision for inc. tax, bonus & pens. fund & organiz. exps.	288,440	329,162
Net	944,907	951,197
Divds. paid Class A	605,516	583,089
Class B	90,000	......
Min. int., Thermogene Co. Ltd.	14	......
	695,529	583,089
Added to surplus acct.	249,378	368,108

The company improved its net current asset position by approximately $423,000, which is reflected in the increased cash position of the company. Cash on hand as at December 31, 1932, amounted to $1,232,772 as against $738,507 at December 31, 1931. Net current assets amount to $2,325,000 as at December 31, 1932, as against $1,903,386 at December 31, 1931.

International Proprietaries does business in all parts of the world and has to carry working capital in most of its branches. If all the net current assets of the company had been transferred to Toronto as at December 31, 1932, there would have been a loss in exchange of $475,000 as of that date. The improvement in exchange is shown by the fact that as of June 28 this loss would have been reduced to $58,000.

Organization Carries On

The year under review ended with Harold F. Ritchie, founder, still president of the company. His death on February 22, 1933, opened a new era so far as management is concerned in the company's history. The report is signed by Chas. M. Henning, president, who for many years was closely associated with the late Mr. Ritchie and who was president of J. C. Eno, Ltd., London, England. Tribute is paid to the foresight, energy and outstanding ability of the late Mr. Ritchie, and especially to the fact that he left "a thoroughly efficient organization to carry on his work."

Marketable securities are shown at cost of $555,073, market value being $491,463. No reserve is set up for depreciation in market value.

Working Capital

	1932 $	1931 $
Current assets	2,995,938	2,556,322
Current liabilities	670,141	652,835
Working capital	2,325,797	1,903,487
Ratio	4.47—1	3.92—1

McConnell Drops Interest In Price Bros. Syndicate

From Our Own Correspondent

MONTREAL.—J. W. McConnell, well-known Montreal industrialist and capitalist is understood to have dropped his interest in a syndicate formed for the purpose of acquiring control of Price Bros. and Co. McConnell was one of the leading backers of the group brought together by R. O. Sweezey and others. His withdrawal has necessitated some rearrangement of the original plans of the syndicate, but it is said that the Sweezey group will go ahead and submit an offer to the Price Bros. and Co. bondholders' committee and liquidator with a view to acquiring control of the property.

No statement has been issued by the bondholders' committee as to negotiations which are generally understood to be in progress with other interests. The Aluminum Syndicate, representing Duke-Price Power Co. interests, are reported as actively interested in the future control of the property. There is talk of this syndicate having made a new offer, but of this there is no official confirmation.

Meanwhile the increased value of the English pound has strengthened Price Bros.' position. A substantial portion of the company's output is marketed with Lord Beaverbrook's Daily Express in London. Under the contract payment is made in sterling, so that the recent advance of the pound has helped the company.

Investor's Index

INDUSTRIALS, UTILITIES, ETC.

Abitibi	9	Gen. Steel W.	5
Anglo-Nfld.	5	Goodyear	5
Assoc. Telephone	13	Int. Propriet's.	1
Barcelona	9	Imperial Oil	1
B. A. Oil	9	Lake of Woods	5
B. C. Packers	5	Lord Nelson H.	9
Beauharnois	5	Loblaw	9
Beauharnois	4	Massey-Harris	9
Bell Telephone	4	Montreal Pwr.	4
Brazilian	9	Ogilvie Flour	9
Bruck Silk	13	Pacific Mills	13
Canada Bread	9	Price Bros.	1
Canada Dry	1	Quebec Pwr.	4
Canada Cement	9	Steel of Canada	5
Can. Airways	4	Shawinigan	10
Can. Gen. Inv.	13	S. Can. Power	13
Can. Cottons	12	Tr. & Loan Co.	13
Calgary Power	13	Walker-G. & W.	9
Dom. Motors	5	Walker's	5
Ford	5	Winnipeg Elec.	5

MINES AND OILS

Admiral Oils	13	Howey	13
B. E. A. R.	14	Lake Shore	14
Beaver Silver	13	Lake Geneva	13
Bobjo	13	McIntyre	14
Bulola	13	Moss	13
Bunker Hill	13	Malrobic	13
Cariboo	13	Miller Indep.	13
Coniagas	13	Norgold	13
Delta	14	N'Kana	13
Dome	14	Noble Five	13
Dorval-Siscoe	13	Pioneer F. & C.	13
Eldorado	13	Premier Border	13
Goodfish	13	Rhokana	13
Granada Gold	14	Royalite	13
Hollinger	14	Siscoe	14
Hollinger	13	Stadacona-R.	13
Horseshoe	13	Waterloo Gold	13

PRICE QUOTATIONS

Bonds	12	Mines	13
Grain	10	Stocks	13

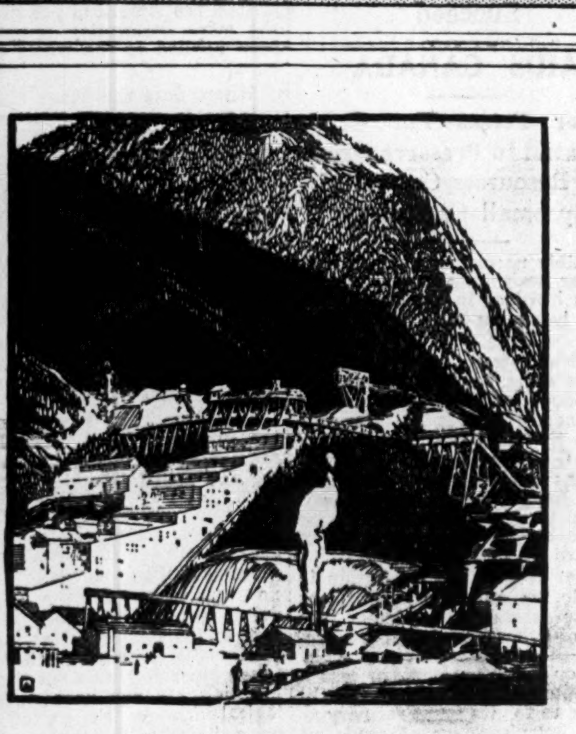
FOR A SMARTER MAN

This smart Solar man's pocket watch has a 21-Jewel Swiss movement, and a Cashier quality gold-filled case. As accurate as modern science can make it . . . . as good looking as modern standards of taste demand, this Solar watch will inspire legitimate pride in its owner.

Main Floor—Yonge & Albert Street

$27.50

T. EATON Co LIMITED



FAITH BY EXPERIENCE

The Royal Bank has always believed in the worth of Canada's basic resources and in sound industrial enterprise as an essential of national development. It is a belief which experience has justified and which varying conditions have not altered.

THE ROYAL BANK OF CANADA

Latest development in paper manufacture

"Sampson White Envelope"

has a bond finish; is carried in two weights; is brilliant white; is opaque, and has the unusual qualification of having the strength of a rag content bond three times the price.

Toronto Envelope Co. LIMITED
366 Adelaide St. W., Toronto

The final Dominion Government report on the beet sugar industry of Canada showed the year 1932 to have made a new record in the yield per acre at 11.28 tons.

The Nation's Business

(Continued from page 1)

pool organizations but a few short weeks ago.

Here indeed is a pretty kettle of fish.

First of all we find Prairie premiers and pool executives acting apparently on advice of John I. McFarland, backing a wheat acreage control plan for Canada and so informing Prime Minister Bennett on the eve of his departure for London. Mr. Bennett, following a plan of action determined upon last year, agrees to act as spokesman for the Prairie legislators and advocates this policy on the part of Canada before the four-power parley. At once a cry is heard from every corner of the Prairie grass-roots, particularly from pool members who do not take kindly to a rise in prices being achieved by taking them out of production. So great is the opposition that Prairie premiers privately cable Mr. Bennett advising him that they can only commit themselves to a voluntary acreage control plan for Canada, based on an "appeal" to farmers to reduce acreage the required amount.

Still the Prairie pot boils and with the aid of much bitter editorial condemnation, opposition grows as chances of a successful issue at London became daily more apparent. Something has to be done, so early in July a pool emissary is dispatched hot-foot for London to offer to wheat experts and statesmen the new quota plan, which this time it is hoped will be politically watertight.

What success it will achieve at London remains to be seen. Perhaps it may not even see the light of day in old London-town.

* * *

FOR Canada its implications are obvious. The very essence of the plan is a "national marketing board" to accept the quota and pass it on to provincial Governments. Hence, via muncipalities or "producer bodies" each farmer would be allotted his individual quota, no farmer to deliver more than his portion, the rest to be stored or disposed of on any way he sees fit.

The "national marketing board" would of course be the new dress for the badly-scarred skeleton of the Central Selling Agency. The proportion of the yearly export sales would be put through the selling agency and under the quota scheme there would be only one grain exporter in Canada, namely the C. S. A. with probably John McFarland at the head. Thus would the ostracized pool propagandists ride once more into power. Already they are boosting membership and business throughout the West by claiming that full credit for the advance in price is due the Central Selling Agency and not the Government. They urge that they hired Mr. McFarland and that when the Government wheat is sold it will mean a handsome profit to the pool organization in the future. Profits, they say, according to the present arrangement, accrue to the pools, while losses are to be paid by the Government.

All this may sound something like a fairy tale to those unaccustomed to the machinations of pool propagandists in Western Canada. The country should be wary of this thinly-disguised quota plan and of the attempts being made to make political capital out of the difficulties that have beset the Prairie farmer in recent years.

Strong Men Needed to Accomplish Things

REPORTS from London to The Financial Post indicate that the Federation of Empire Chambers of Commerce meetings there have been inconclusive. It is said that a great deal of time is being wasted by a group of comparatively unrepresentative spokesmen for industry and commerce. Their meetings are described as consisting of idle debating and unenthusiastic passing of resolutions which are on the whole innocuous and unlikely to receive any official attention.

It is unfortunate that an organization of this character, which could be very useful within the Empire, should be so ineffective. Leadership by representative men is what it lacks. It is of no use for a group of this kind to expect to accomplish anything without important representatives of the countries concerned. Attention would be forced to its resolutions and its views if men of the most important character were present at its meetings. As it is convened at present its conclusions will probably get little or no attention.

Canada sent some good practical business men as delegates but the delegation from Great Britain and some of the other Dominions was weak.

It would be better to narrow the programme down to a few big, broad questions, pass no resolutions but merely meet to exchange views and then return to their own country better informed and in a position to give leadership in their home organization.

WHEAT PRICE HELD DOWN BY ARGENTINE

(Continued from page 1)

Canadian market, both by causing a pause in the upward rush of Chicago, which has been steadily influencing Winnipeg, but even more by furnishing steady supplies for shipment to Great Britain and the continent, and alleviating any tendency there toward uneasiness as to supplies, which otherwise might arise from the firmness with which Canadian wheat is being held. Canada last week shipped about 3,000,000 bushels of wheat and flour, while the Argentine and Australia put afloat almost 3,500,000 bushels each. Only about 20 per cent of the latter countries shipments were to non-European countries, indicating that Great Britain is doing substantial buying in Australia. But Australia has less bearish influence than has the Argentine, because of comparatively small quantities left, and the fact that her next crop is expected to be compartively small.

Some remarkably small guesses as to the outcome of the Western wheat crop are now in circulation, even as low as 250,000,000 bushels. In view of large areas where conditions are yet reasonably good it would not appear that such a small out-turn has yet become probable, although a continuance of hot and dry weather, preventing grain heads from filling properly, might result in such an outcome. A yield under 11 bushels per acre for whole seeded acreage of Western Canada is unprecedented, except in the disastrous year of 1919 when it went down almost to nine bushels. It would seem that a good deal of damage would yet have to be done to justify the most pessimistic of current estimates.

Shipments out of Port Arthur and Fort William remain at very low levels, for in spite of low lake freights shippers find putting grain forward to be a hazardous enterprise, when it has to be hedged in a market liable at any time to get more out of line with export prices than has already been the case.

The first Canadian rye to be imported by the United States under the influence of the present price movement has already been from Port Arthur to Chicago.

General reports as to crop conditions in Europe indicate good returns in most countries, although the total yield is likely to fall well below that of last year. Market centres doubt that Russia will ship out much wheat of the new crop, although conceding that a fairly good yield may be in sight.

Canada Needs British Sanction Sterling Loan

Dispatches from New York and London confirm The Financial Post's report of last week that the Dominion is negotiating for a loan of £10,000,000 in London. The doubtful feature of the news is that British authorities may not allow the issue to be made.

The proposal to raise money in London is understood to be part of Ottawa's conversion loan plans for next autumn. Bond dealers have been uncertain of the power of the Canadian market to raise new money in addition to arranging conversion of some $400,000,000 of obligations already outstanding. And the Dominion is expected to need about $150,000,000 of new money to meet the national and C. N. R. deficits for 1933.

The situation in the British money market is that no new foreign capital issues are being permitted. This has served to sustain prices of gilt-edged British bonds. If the market is opened to foreign borrowers, of which Canada might only be the first, British securities might decline, it is thought. This probability may not be in keeping with British fiscal policy, and permission to borrow may, therefore, be refused.

If it were not for this obstacle, dealers feel Canada could now borrow at low rates in London as the market is believed to be favorably inclined to our securities.

PAPERMAKERS IN U. S. FAIL AGREE ON CODE

(Continued from page 1)

chiefly to International Paper which has three large mills in Canada and another in Newfoundland.

Another clause of interest to the Canadian newsprint industry is number 15 which says that the sections relating to price fixing and minimum wages will not become effective unless and until protective regulations of imports under section 3 E of the National Industrial Recovery Act has been made effective by the president of the United States.

Power of President

This section of the act was set forth fully in The Financial Post of June 17 last. It provides the president with unlimited power to penalize foreign manufacturers who sell newsprint in the United States at such prices or on such terms or under such conditions as tend to destroy the industry in the United States or impair the standard of living among workers in American newsprint mills.

Better Demand Helps

To the Canadian manufacturer the most encouraging development of late has been the increase in demand for newsprint from the United States. Reports of United States publishers indicate an appreciable increase in paper consumption, which, in turn, is reflected in better production figures for the Canadian mills.

Mill operations have been increased generally. This applies to all the major companies, like Abitibi, Consolidated Paper St. Lawrence, Price Bros., Canadian International, etc. The operating ratios of these companies, however, are still relatively low and much additional business is required to put them back on the basis they were operating two or three years ago.

Security Values Gain

One interesting feature of the improved business is seen in the market value of newsprint securities. No other group of securities has been so severely deflated over the last three years. While many are still cautious in respect to making a commitment in newsprint stocks, the feeling grows that the industry is approaching the turn, if it already has not started on the upward path.

Bonds were the first to attract attention and in the last three months all have recorded substantial appreciation. Price Bros. bonds sold as low as 28 this year and are currently quoted around 60—an advance of over 100 per cent.

Abitibi first mortgage bonds were offered at 13 this year with few buyers. Now the price is better than 35, with a fair market at that level.

Bond Values Double

Donnacona's bonds were around 14 for a long time, but lately have been sold at 27. Great Lakes Paper bonds could have been picked up for 15 earlier in the year, while the prospective buyer would now have to pay better than 36.

Newsprint stocks also have come in for attention. Abitibi common from a low of 12 cents has advanced to around $2.25 a share. Price common stock dropped to $1 followed upon the appointment of a receiver, but has recovered to between $4.50 and $5.

St. Lawrence Corp. stock could have been bought at 15 cents a share at the low point this year. Now it has a value of about $4 a share. This company's A stock has advanced from a low of 1 to a current level of 7½.

St. Lawrence Paper Mills preferred was a drug on the market earlier in the year and there were few buyers at 2¾, while at the current level of about 19½ there is a fairly wide interest.

Consolidated Paper's new stock when placed on the market sold as low as 1¾ this year and is now around 8. International Paper and Power Co.'s A stock was selling so low at one time this year that the broker's commission was almost as large as the value of the stock itself. Now it is bid at better than 10.

Canadian Pacific Express Travellers Cheques Are World Currency

Carry them on your next trip and be assured of travel comfort.

Get them from any agent of the Canadian Pacific & most Banks

FRANCE VIEWS GERMAN NAZIS AS GANGSTERS

(Continued from page 1)

German people have been apathetic ever since the war. They have permitted all sorts of subversive movements to develop around them without raising their voices in protest. There has been no real objection on the part of the German people to the suppression of the Jews; no audible protest against the persecution of the Catholic church; no visible moderate opinion at all."

French Faults Admitted

I suggested that perhaps the apparent apathy of moderate opinion in Germany resulted from disappointment and disillusionment concerning the Treaty of Versailles and that to some extent France was herself to blame for the fact that the revolution in Germany was in the hands of men who were not all idealists. This Frenchman admitted that there was much truth in the allegation. "We have made many mistakes. We have not treated Germany fairly.

"But Germany is wrong to blame her economic troubles entirely upon the Treaty of Versailles. The fundamental economic problem in Germany is over-population which means lack of opportunity. Her people cannot migrate in large numbers because overseas countries are not welcoming new settlers or industrial workers. So the Germans have to stay at home and make their living there.

French Solution

"But we had the same problem in France and we have solved it. We have been building up our peasant industries like wine-growing and wheat-raising. Our industries are small industries using large amounts of hand labor. Our tariff helps to raise the standard of the country workers rather than to build up large industries. Our policy of deflating costs will help the lot of primary producers and bring down wages. Thus the income of the nation will be equitably divided among as many people as possible. There cannot be a few people drawing high wages for full time labor while many others are entirely idle.

"But in Germany they have aped the United States and Canada. Forgetting that German opportunities are not like those existing in the new countries of America, they have built huge factories and equipped them with the most modern machinery to replace hand labor. When they should have been creating new jobs they have been finding ways to throw people out of work.

"Germany, with her over-population and her comparative lack of untouched resources, should keep her wages low and use hand labor, thus giving everyone a chance of a job.

Reason for War Scare

"The excess population of Germany is a terrible threat to the world so long as the Government is in the control of some of the men around Hitler. They are men of consummate ambition and brutal disregard of the sacredness of private happiness or human life. Germany has at least two million excess men. What would be more easy than to go to war against the rest of Europe in a desperate gamble for power? Even if Germany lost 2,000,000 men and lost a great war she would not be much worse off than she is now. It is a cynical thing to say but we in France feel that it is only too true. We are frankly afraid that if the Nazi leaders find their power slipping that they will go to war to retain their power and influence over the people and in the hope that they will create permanent positions of world power for themselves."

More moderate views are expressed by other Frenchmen. Were these the views of an ordinary French citizen they would not be of value or interest. But they come from a source which makes them exceedingly significant.

PRICES IN U. S., U. K. REFLATION GUIDE CANADA

(Continued from page 1)

embarrassingly. If this is done, it is possible that the pound may go to much higher levels and the Canadian dollar might reach a premium in New York.

Washington authorities now have it that the American administration may soon make an announcement to stop the rise of prices. But this seems to be the only barrier threatening to stop the continued fall of the dollar.

Pressure on Britain

Great Britain will not sit idly by if the dollar continues to fall, although she seems to be doing nothing at the moment. The pressure from such British authorities as Sir Josiah Stamp and J. M. Keynes, and from some British exporters, is getting stronger. This despite the blunt conference statement of Walter Runciman, president of the British Board of Trade, that reflation would not be attempted in Great Britain through large scale public works. It is, however, likely that Britain will be slow starting to cheapen the pound. This sluggishness is likely to strengthen the pound in terms of U. S. dollars and weaken it in terms of gold. The pound is unlikely to be cheapened as fast as the dollar.

In addition to internal pressure for a cheaper pound and a British price-raising programme, the Dominions and sterling bloc countries are urging the same thing. Such a policy would tend to raise world price levels, including the Canadian, and would help the Canadian dollar to find a more natural level. It would relieve some Canadian debtors by increasing the dollar value of their production.

Means of Reflation

Reasonable and controlled inflation is what the Dominions are urging on Great Britain. Steps which could be taken to acomplish this are likely to differ from the psychological appeal in the United States. The banking system would be the logical medium in the opinion of some of the foremost British experts. They also contend, however, that some form of government works is necessary to bring about the use of any increase in available credit and low money rates.

The British financial press is sceptical of the stock boom in Wall Street. So are some highly informed Americans. To use the words of Dr. Sprague again:

"There is entirely too much interest in stock prices. It would be advisable to have betting on horse races made respectable, so that the public would be less interested in betting on securities. Unintelligent speculation on horse races does no general harm, but unintelligent speculation in securities increases the country's economic instability."

It is the improbability of sudden development of the same speculative craze in Great Britain which makes use of psychological inflation unlikely in that country, where the view of Dr. Sprague gets wide approval.

Pressure on Gold Bloc

The gold bloc is experiencing difficulties. Cheapening of both the pound and the dollar would add to them. Pressure on the gold countries is getting very strong. Gold is going into hoarding, and every shipment from the Indian stocks includes consignments to European hoarders. The gold nations are not likely to continue indefinitely to support the creditor-rentier classes at the expense of their tourist and export trade.

The guilder is in a shaky position. The franc is getting that way. The Bank of England and the sterling equalization fund are now understood to have calls on some 500,000,000 francs in gold, and can get it when they want it. But Britain does not want to appear to be the guilty party in driving France off gold. The French are willing to leave gold in the heart of hearts of a strong group including the socialists who hold the balance of political power. But they want to be pushed off the standard so that they do not seem to be doing it voluntarily.

Effect of Abandonment

When every country is off gold, and most of them carrying on a price-raising programme, exchange values of currencies will gradually find their own levels. This will be an equating of price levels in different countries. Even if only Great Britain and the United States carry on reflation programmes, this will occur. Then the question of stabilizing exchanges around these new currency levels, and preparations to return to a gold standard at new parities all round can be discussed. Then perhaps a world conference could meet with some promise of success. But there is no guarantee of what government interference there will be with currencies if everyone goes off gold.

EMPIRE SEEN SAVING WORLD FROM CHAOS

(Continued from page 1)

Governments to curtail public expenditure in order that all Empire budgets might be put in balance and taxation reduced.

The Congress also approved other resolutions by the Canadian delegation. One urged that the Governments of the Empire should facilitate Empire trade by effecting greater uniformity in trade statistics, customs regulations, etc., and by the pooling of commercial data. Another urged continuous and orderly marketing of Empire goods with elimination of agencies in foreign countries to serve Empire countries.

Discussions in the Congress revealed that a large body of business men in the Empire approve the abandonment of the hope of any early return to an international gold standard and the immediate formation of a sterling union. But an attempt to get the Congress to approve such a policy was defeated and a stand was taken in approval of steps in the direction of an early return to stable gold currencies throughout the world with a reformed gold standard as the basis, the sterling bloc to be considered only if attempts to restore the gold standard fail utterly.

Canada and Newfoundland

There was a goodly representation of Canadians at the Congress. President, John W. Ross; chairman, A. O. Dawson; secretary, W. McL Clarke and R. P. Jellett represented the Canadian Chamber of Commerce and in addition the Ontario Associated Boards of Trade and the Chambers of Commerce or Boards of Trade of the following cities were represented by members: Belleville, Brantford, Calgary, Halifax, Ingersoll, Montreal, Oshawa, Ottawa, Regina, Saint John, Toronto, Vancouver, Walkerville and Winnipeg. In all 43 Canadians were officially registered as delegates.

From the Newfoundland Board of Trade, St. John's, William C. Job, a past president, and J. P. Stick were registered as delegates.

NEW PRESIDENT OF IMPERIAL OIL IS OPTIMISTIC

(Continued from page 1)

business, I cannot help but feel that his acquaintance with this problem will be of the greatest help in bringing about the adoption of a practicable and fair code acceptable to the national administrator.

Doing Small Man Justice

"In the second place, a cardinal point of proposals to date is that the small man shall have justice done to him. That must necessarily mean higher prices for crude oil but that is the only way in which conservation can be made effective. In the end consumers would profit because the longer resources are conserved the longer will consumers be able to enjoy reasonable price levels for gasoline, lubricating oils and other products.

"There are about 300,000 stripper wells in the United States producing about 500,000 barrels a day and representing an estimated reserve of several billion barrels of crude petroleum. You can only preserve these resources by permitting a price which permits their production without loss. The proposal to prevent further drilling without a permit from the president is a necessary corollary of that policy. The president has been asked to fix minimum and maximum prices for motor fuel and other petroleum products on the recommendation of the emergency National Committee.

Helps Canada Also

"How will all this affect Canada?"

"In the first place Canada is interested in the conservation of present petroleum resources of the world, and especially those of the United States and South America, because they are resources she will draw on increasingly even if she finds a major pool of her own. What helps the industry elsewhere in the long run helps both consumers and the oil industry in Canada. If prices of crude go up as a necessary measure to conserve, it will make crude oil dearer to Canadian companies but not so dear as they will be if resources are wasted and remaining holders of petroleum lands then ask what the market condition justifies. We must look beyond the ends of our noses."

Pete Plays the Game

"Is International Petroleum affected?"

"International Petroleum recognized the situation nearly four years ago and as her contribution to the conservation of crude petroleum has not increased production. Peru and Colombia have played the game and will continue to do so."

Policy Respecting Canadian Prices

"Will prices go up in Canada?" he was asked.

"Canadian refiners have progressively reduced prices of gasoline in recent years. The margin of profit is narrower than it has ever been and the gasoline is sold so low because, by virtue of protection given, Canadian companies have been able to maintain volume and to increase efficiency. Costs have been cut in refining processes and in every way possible.

"Proof that the Canadian industry has played the game is that volume has kept up better than we expected in these times despite higher taxes added to gasoline prices. Imperial Oil at the present moment has all its Eastern refineries at Sarnia, Montreal and Halifax running to capacity. For ten years processes have been improved, costs reduced and distribution widened. Every fraction of a cent thus saved has so far gone to the provinces in increased taxes or to the consumer in a lower price. Imperial Oil has looked for its advantage in sustained volume. Its policy will not change in that particular."

★Complete Analyses
Of Canadian Companies

The Financial Post Corporation Service company analyses will give you complete and detailed information on the companies in which you are interested.

All the facts needed to thoroughly investigate a company are contained in these reviews—history, management, capitalization, balance sheets and earnings statements for seven years, etc.

Analyses are available a few days after the issuance of a company's annual report except in the case of very large companies when some days are required to complete the review due to the extensive nature of each analysis. Send in the coupon below.

Price — $1 for Each Analysis

The Financial Post Corporation Service, 481 University Avenue, Toronto.
Please send me The Financial Post Corporation Service analyses on the companies indicated. I enclose $........ at the rate of $1 for each.
Name ....
Address ....

"A Distinct Personality"

Head Office Montreal

Said an old customer of the Bank of Montreal: "A bank has a personality just as distinct as that of an individual."

The personality of the Bank of Montreal, created by its founders and perpetuated by their successors, is reflected in the substantial character of its clientele and expresses itself through more than 550 Branches.

Elements of the personality of Canada's oldest bank include unwavering strength and conservatism, helpful, efficient service, and thorough knowledge of local conditions wherever it is represented.

BANK OF MONTREAL
(Established 1817)
TOTAL ASSETS IN EXCESS OF $700,000,000

NAME PLATES — TRADE MARKS — WINDOW SIGNS — WAGON & TRUCK LETTERING — DECORATIVE DESIGNS

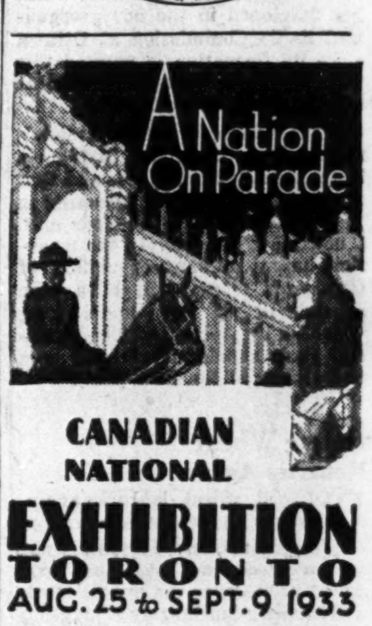
DECALCOMANIA TRANSFERS FOR ALL PURPOSES

CANADA DECALCOMANIA COMPANY, LIMITED

THE OLDEST CANADIAN MANUFACTURER OF TRANSFERS — ESTABLISHED 1917

507 KING ST. EAST, TORONTO

KEEFER BLDG. — MONTREAL
WINNIPEG — J. G. CRAIG, McINTYRE BLDG.
REGINA — W. H. HUNTER, 2206 DEWDNEY AVE.
CALGARY — G. C. MARTIN, 514-11TH AVE. W.
VANCOUVER — R. H. STORER, 500 BEATTY ST.



CANADIAN NATIONAL EXHIBITION TORONTO AUG. 25 to SEPT. 9 1933

The new features, new developments, new outlook of the world's largest annual Exhibition will fascinate, enthuse and inspire almost two million visitors again this year. Join the happy hundreds of thousands who will revel in its countless educational and recreational attractions.

In massive permanent edifices of stone, steel, brick and concrete, situated in a beautifully landscaped lakeshore park, the manufactured and natural products from nations in all parts of the world will be exhibited attractively and profitably to swarms of enthusiastic visitors.

"Montezuma," thrilling pageant depicting the conquest of Mexico by the Spaniards, presented by 1500 costumed performers on a 1000-foot stage. Renowned world's championship Marathon swims, Women's 10 miles, Fri., Aug. 25. Open, 15 miles, Wed., Aug. 30. Other national and international competitions afloat and ashore. Famous band of His Majesty's Scots Guards and thirty other bands.

The world's progress in industry, education, pageantry, science, recreation, music, fashion, travel, sport, art, engineering, automotive, horticulture, agriculture. Carefree carnival throngs on a mile-long midway.

Reduced rates on transportation lines. Consult your local agents.

Display Space — Manufacturers and others planning to display their products at this "Show Window of the Nations" are requested to make early application to the Canadian National Exhibition, Lumsden Building, Toronto.

WM. INGLIS, *President*
H. W. WATERS, *Gen. Manager*

The WORLD'S LARGEST ANNUAL EXHIBITION

FIFTY-FIFTH CONSECUTIVE YEAR

AUG. 25 to SEPT. 9 1933

DUNLOP GOLF BALLS FLY TRUE AND PUTT TRUE

DUNLOP GOLF BALLS like DUNLOP FORT TIRES are
"In a class by themselves"
423

OUR OFFICE . . . in New York

The Dominion Bank maintains its own Agency at 49 Wall Street, in New York's financial centre.

Foreign exchange and security transactions are undertaken, collections and remittances made.

Private telegraph wires connect the New York Office with our branches at Toronto and Montreal.

The New York accounts of Canadians are a main feature of the business conducted at this Agency, and Canadian business men are invited to use our New York facilities.

THE DOMINION BANK
ESTABLISHED 1871
HEAD OFFICE: TORONTO

BRANCHES THROUGHOUT CANADA AND OFFICES IN NEW YORK AND LONDON

COMPETITION FROM JAPAN ALARMING

British Manufacturers Undercut in Their Own Market

CHEAP LABOR

Government Subsidies, Depreciated Currency Force Other Competitors Out of World Markets

By Staff Editor

LONDON.—For the moment the disappointment of the British manufacturer over the supposed failure of the Ottawa agreements to produce the Dominion sales that were expected is overshadowed by a much gloomier and more tangible problem — Japanese competition. With Japanese socks selling in the cheaper stores of Eastern London for twopence a pair and undergarments at fourpence the British manufacturer is up against a type of competition that no ordinary tariffs can restrict. He is distinctly worried, for the threat of continued dumping of low cost manufactured goods on all the markets of the world, by Japanese manufacturers whose wages are low and whose currency is greatly depreciated, menaces the rising security of British trade.

The confusion caused by the depreciation of the yen is so great that some British manufacturers report that they have found in some of their best markets that Japanese traders were offering British-made goods at lower prices than the British manufacturers could themselves offer them. But it is recognized that such a Ponzi-like road to wealth will not be long open to the Japanese trader and so the first cause for worry on the part of the British exporters is the invasion of their markets by Japanese-made goods which are offered at prices so far below the cost of production in Great Britain as definitely to make competition impracticable on a price basis at least.

F. B. I. Investigates

Through a special committee of the Federation of British Industries, manufacturers in this country have investigated the subject of Japanese competition and a report has been issued on the subject. The report charges that Japan is engaged in a definite campaign of undercutting her competitors in every possible market, that she is rapidly increasing her production of many articles and that she has deliberately depreciated the yen during the past year in order to embark on "a reckless national sales policy, with disastrous results to British and other traders in the various markets of the world."

It is pointed out that Japan's ability to undercut British and other manufacturers is due first and foremost to the difference between Eastern and Western standards of life, hours of work and general conditions of labor; and second to the "unfair" advantage enjoyed by Japanese exporters in the form of exchange depreciation, government subsidies and freight dumping.

Some idea of the extent of the inroads made in Britain's domestic production by imports from Japan at prices which preclude competition can be gauged from the following table of imports from that country taken from United Kingdom trade returns.

Imports into U. K. from Japan

	1928	1929	1931
Rubber boots and shoes, doz. pr.	nil	nil	2,825,532
Electric glow lamps, No.	6,123,673	18,555,045	25,568,565
Cotton stockings, doz. pairs	843,400	739,396	947,400
Underwear & fancy hose, doz.	1,004.189	895,077	1,120,568

Labor Hours Longer

Not only do Japanese factory workers receive but a small portion of the pay of British workers in the same industry but their hours of labor are considerably longer. For example, in the silk and rayon industry the average week of the Japanese is one of 6½ days of 9 hours each, or approximately 60 hours a week while the British worker is engaged only 48 hours. Wage rates published by the Japanese Ministry of Commerce and Labor, converted into sterling at the prevailing rate of exchange and compared with similar British wages are as follows:

Comparative Weekly Wages of Japanese and British Worker in the Rayon and Silk Industry

	Japan	Britain
Silk thrower (female)	6/4d	32/-
Silk weaver (female)	5/7	45/-
Hosiery knitter (male)	11/7	80/-
Hosiery knitter (female) ...	5/9	50/-

French Sceptical On World Parley

Not Much Concerned About Results — Have Friendship of Other Nations—Favor French Empire Trade—High Franc Costly to Tourist Trade

By Staff Editor

PARIS.—From the time the World Economic Conference first met in June there has been scepticism concerning it in France. The French consider a settlement of the war debts problem as an essential preliminary to further international economic agreements. They consider a definite stabilization of the leading currencies of the world an equally important desideratum. They do not see how any economic understandings can be of any avail so long as the threat of huge war debt transfers hangs over world capital markets. They do not see any value in tariff armistices so long as fluctuating exchanges raise and lower the real, practical height of tariff walls from day to day. The French feel that it would have been better had the conference not been held at this time; if it had been postponed until there was great stability in prices, a more easily discernible balance between the nations and a complete and final settlement of the problem of international political debts.

This makes the cynicism concerning the conference almost unanimous, for opinion of British industry and finance is that the conference did not meet under circumstances propitious for its success while the American people, according to reports from across the water, are more concerned with their domestic affairs than with the deliberations of the London parley.

French Don't Care

Nor are the French much concerned about what may come out of the conference. They are convinced by now that it will be followed by a revival of the spirit of economic nationalism and—perhaps having in mind their own exceedingly high tariff—they are using the highly organized journalistic instruments of propaganda at home to place the blame upon the United States. It is doubtful if M. Daladier ever had any particular desire to show the World Conference the way out of depression and the French were at no time prepared to take the lead either in lowering tariffs, restimulating international lending or in other measures of world co-operation.

The American policy of restoring America's internal prosperity first before getting involved in international measures of restoration, has provided the French with a welcome excuse for continuing to pursue their own policy of economic nationalism, modified only by financial co-operation with the nations friendly to France and upon whom she relies in her eternal search for security. America is charged with refusing to co-operate with Europe; if the conference fails it will be America's fault; the product of her isolation and her inexperience in world finance. So runs French opinon.

Others Follow France

Whatever lead France gives in any League of Nations affairs is followed by numerous other nations including most of the Danubian states, Spain and many of the Latin American countries. This creates the impression that France dominates the League of Nations and all of its conferences. A spokesman for the French Government tried to assure me that this was not the result of French propaganda or leadership. "We do not consciously attempt to control the League. But we are friendly with many nations. We have granted financial assistance to a number that needed it. To the Latin Americans, Paris is a second capital. All these things combine to give them respect for French opinion and French policy. They support us voluntarily. It makes it look as though we were the dominant country in the League. We realize that the Americans think we are. We know that that is one of the reasons they have stayed out of it. But we do not dominate the League and do not want to."

Paris has recently been the scene of a French colonial conference modelled on the lines of the Imperial Economic Conference at Ottawa. Observation of the British experiment has convinced the French that there is a larger opportunity for them in the development of their own Colonial Empire.

France at Conference

The conference ran into the same difficulties that were apparent at Ottawa. French manufacturers and French producers of agricultural products are pleading the case of "Motherland First" and do not want to grant concessions to the colonies that will interfere with home production. French wine growers protest that they should not be subjected to competition from the Algerian wine growers and French wheat farmers do not see why they should be compelled to meet the competition of Indo-Chinese rice.

The conference may be regarded chiefly as a gesture by the foreign office here to make it appear that the French Empire is something to be reckoned with in world trade. It passed with comparatively little notice being paid to it.

There is one group of Frenchmen who are somewhat worried by the high isolation of the franc. They are the people who cater primarily to tourists—the hotel keepers and the merchants of Paris and the fashionable resorts. Their trade has declined seriously. Some of the most famous of French hotels, depending almost entirely upon American and British trade, are comparatively deserted. The Americans, of course, have been barred by their own reduced incomes from doing much travelling, but even those who have money are loth to pay the premium necessary to buy francs for their journey. The British, accustomed to getting about 125 francs for each of their pounds, hesitate to accept 85 francs. The cost of living is high in France, even in terms of domestic currency, due to the tariff which has maintained the price level of many commodities. This applies particularly to protected home commodities. Based on the same index year the prices of home products stand at 418 as against 317 for imported products. The cost of living is only about 8 per cent below 1927 although the incomes of people who ordinarily travel to France have fallen much more.

When the high prices prevailing in France are converted into foreign currencies—non-gold—travelling in France is found to be very expensive. Taxis are still cheap. Few runs in Paris—before the double night rates come into effect—run over five or eight francs, and it is still possible to get a bottle of passably good wine for between six and ten francs (33 to 55 cents Canadian money) but it is not possible to find anything else in the country that is similarly cheap.

Prices in Restaurants

There is not a moderately good restaurant in France that quotes a "prix fixe" meal under 25 francs to which must usually be added a small service charge, the price of wines and mineral waters and the usual pourboires to waiters, hat attendants, wine boys, doormen, etc. In the better restaurants average meals run to about 50 francs or $2.75 in Canadian money. It is possible to dine for less but one must know the restaurants and must be able to speak French well enough to pass for a resident and not for a visitor.

London is much brighter than Paris. The number of annual fixtures of interest to visitors that now mark the London season is legion. Apart from the Economic Conference, which has brightened up London remarkably from a social angle, the British capital has become the great capital of Europe. Paris notices the trend and worries about it but so long as it sticks to the gold standard and maintains a very high tariff it will not be able to do much about getting back the tourist trade that is steadily slipping across the channel.

Newfoundland Paper Mills Active

From Our Own Correspondent

MONTREAL.—Newfoundland's two newsprint mills have not been so active this year, though production has been maintained on a relatively steady basis since the beginning of the year. Output in June amounted to 20,672 tons compared with 21,747 tons in the previous month and with 25,721 tons for June last year.

Since the beginning of the current year the Newfoundland mills have manufactured 133,529 tons of newsprint paper. This compared with 138,691 for a similar period in 1932 and with the record high of 144,934 tons set up in 1931. Production figures this year are the fourth highest ever reported by the Island mills.

RETAILERS HELPED BY TOURIST TRADE

But Numbers Are Fewer Than in Past Years

Weekly trade report of the Canadian Credit Men's Trust Association, for the week ending July 15, is as follows:—

Halifax — Departmental stores report increase in sales over 1932 for the same period. Wholesalers and retailers alike report better tone to current business, but collections still slow.

Saint Jonn — Gains in wholesale trade appear maintained. Continued improvement noted in retail trade and stores benefiting to a moderate extent from tourist trade. Improvement maintained in collections.

Montreal—A decided improvement is noted in practically all wholesale lines. Clothing and ladies wear in much better demand. Hardware still somewhat slow but showing more activity than formerly. Groceries very fair; boots and shoes very fair.

Toronto — Very little change reported in conditions over previous week. Trade report turnover in regular merchandise lines continues to show improvement and retail merchants still benefiting from tourist trade. Collections remain fair.

Winnipeg—Wholesale trade report volume in groceries continues fairly good. Clothing and ready-to-wear lines report slight improvement previously noted pretty well maintained. Retail trade report turnover for the week as very satisfactory. Collections fair.

Regina.—Wholesale grocers report trade fairly good; dry goods fair; hardware good. Retail trade report a fairly satisfactory volume for the week. Collections reported as fair with very little improvement.

Moose Jaw—Wholesale and retail trade report groceries continue in fair demand; dry goods fair; wholesale boots and shoes fairly good; hardware fair. Collections continue fairly good.

Saskatoon—Wholesale trade report volume in groceries remains about the same as for previous week; dry goods fair to good; boots and shoes very satisfactory; hardware and oils continue fairly satisfactory. Retail trade generally speaking report sales continue very satisfactory.

Calgary — Wholesale and retail trade in grocery line report very fair volume; hardware moving slowly; dry goods and boots and shoes showing small improvement.

Edmonton—Wholesale trade generally showing improvement. City retail trade, particularly wearing apparel and footwear, also improved. Collections on current accounts prompt. With continued rains, crops in Edmonton and district are looking exceptionally well.

Vancouver — Trade generally, both wholesale and retail, report business for the past week rather quiet, with the exception of grocery and hardware lines.

Economic Wisdom Down the Ages

And How History Repeats Itself

MONEY SHORTAGE IN OLD QUEBEC, 1721

"Nothing perhaps has contributed more to make trade in general languish in this colony (New France or Canada) than the frequent changes that have been made in the coinage.

". . . . To meet the most pressing charges M. de Champigny decided to give circulation to certain notes which were to take the place of money. . . . . They were printed in France.

"As long as the bills of exchange were faithfully paid, these cards were preferred to hard cash; from the period at which they ceased so to be, people discontinued bringing them in to the treasurer so that in 1702 M. de Champigny tried in vain to retire all those he had issued. His successors were obliged every year to issue new ones in order to pay current expenses, which multiplied them to such an extent that they at length fell into discredit and no one wished to accept them. Trade was completely upset by this and confusion extended to such a length that in 1713 the inhabitants proposed to lose half on condition that the king should withdraw them and pay the other half.

"This was agreed to in the following year but the orders given in consequence were not fully carried out until 1717. Card money was abolished and coined money was again used to pay current expenses of the colony.

"In 1706 the trade of the oldest of our colonies went on on a fund of only 670,000 livres and things have not much changed since then. Now this sum spread among 30,000 inhabitants cannot make them comfortable or give them the means of buying commodities from France. Moreover, the majority go quite naked, especially those in rather remote settlements. They do not even sell all the surplus of their provisions to the dwellers in the towns, hence these latter are obliged, in order to exist, to have pieces of land in the country and to work them themselves."

—From a letter written in Quebec, February 15, 1721, and quoted in Charlevoix's "History of New France."

* * * *

DISCONTENT IN THE PROSPEROUS U. S. A. IN 1820

"Wilberforce pointed to the fate of Venice and the Hanse towns, which showed that commercial prosperity and credit could not co-exist with alarm as to the security of property. At Manchester, Lord Grenville told the House, 'individuals are retiring, capitals are withdrawn and establishments about to be transferred from that scene of disturbance and alarm! It could not be otherwise. It is of the nature of commerce to flourish only under the shelter and protection of law, its blossoms will never expand themselves, much less will it mature its fruits, except in secure and undisturbed tranquillity.' The Earl of Liverpool instanced the United States as a country where all that the rioters desired existed, and yet distress was as great there as it was here. He attributed the present troubles to the rapid increase of population and the introduction of machinery, which had a tendency to produce a glut in the market."

—British Hansard of 1820 as summarized by William Page.

YOUR THIRST DIES HAPPY!

Just imagine it! Genuine English Stone Ginger Beer —ice cold! Your thirst sighs once ; ; ; gurgles ; ; ; bubbles ; ; ; lingers ; ; ; and gives up, happy to the end. Kuntz's Stone Ginger Beer is the real thing—brewed and blended as only the Englishman knows how to do, with all the delightful flavour, tang and sparkle of *real* Stone Ginger beer. Try it. Prove it.

THE KUNTZ BREWERY, LIMITED WATERLOO and TORONTO

Kuntz's STONE GINGER BEER

In Transparent Amber Glass Bottles, Visibly Pure Sterilized and Inspected 3

5¢

MAKE YOUR WILL NOW

A man without a will often results in a widow without an income

Crown Trust Company

393 ST. JAMES STREET • MONTREAL

LET US SERVE YOU AND YOUR FAMILY

GEORGE F. HARDY

Consulting Engineer

305-309 Broadway, New York City, N.Y.

Member

Amer. Soc. C.E. Amer. Soc. M.E. Eng. Inst. Can.

Consultation, Reports, Valuations, Estimates

Paper and Pulp Mills, Hydro-Electric and Steam Power Plants, Plans and Specifications

Serving Canada's Baking Industry for more than sixty years

FLEISCHMANN'S BAKERY SERVICE

Fleischmann's Yeast . Fleischmann's Baking Powder Fleischmann's Arkady . Fleischmann's Panomalt

Quality Products of

STANDARD BRANDS LIMITED

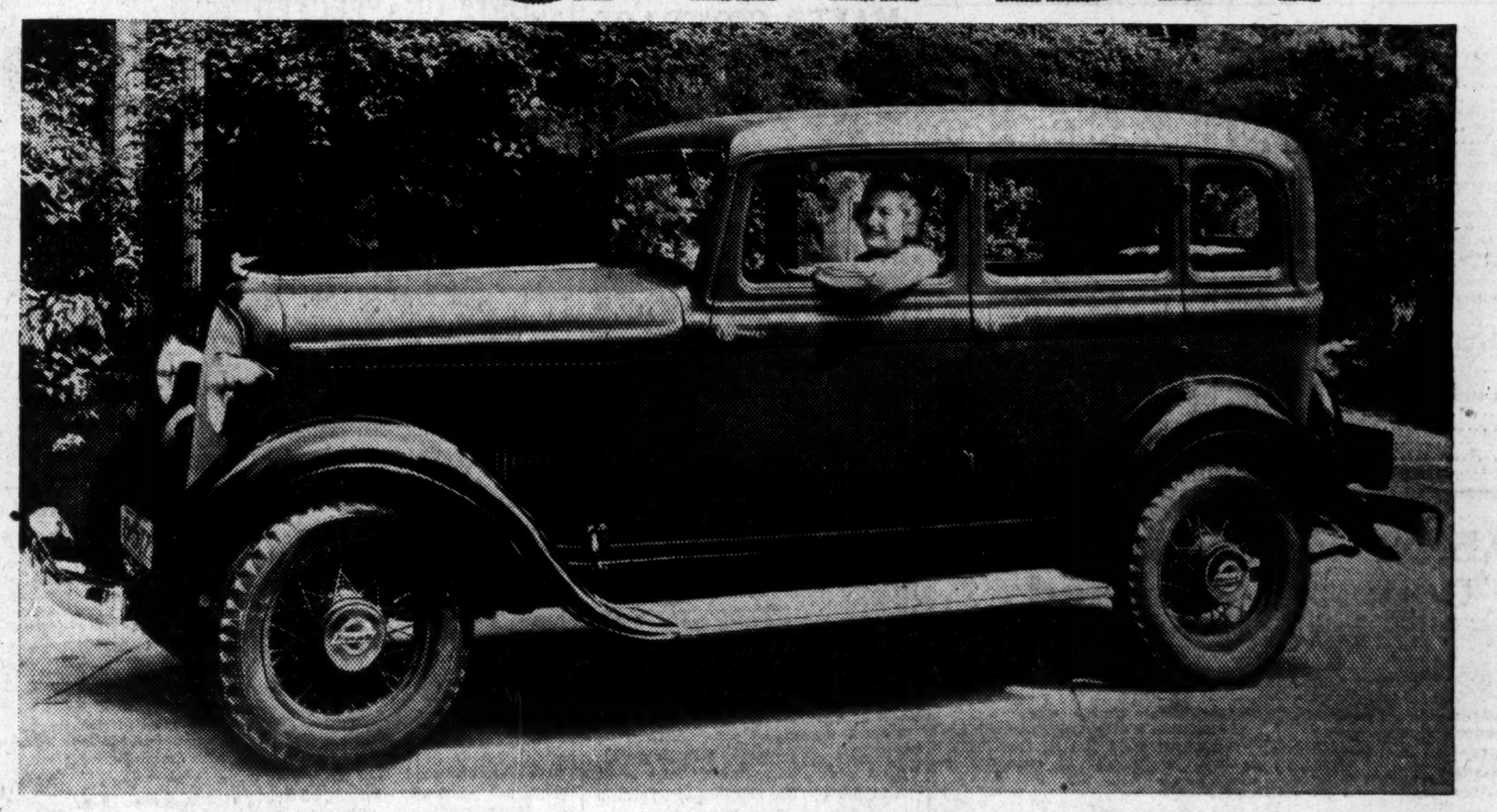
HEAD OFFICE MONTREAL

A Canadian corporation operating Canada's largest fresh food delivery system

MANUFACTURERS AND DISTRIBUTORS OF

Fleischmann's Bakery Products . Fleischmann's Yeast for Health . Magic Baking Powder . Gillett's Lye . Royal Yeast Cakes . Chase & Sanborn's Tea and Coffee

LOWEST PRICED SIX CYLINDER 4-DOOR SEDAN IN CANADA



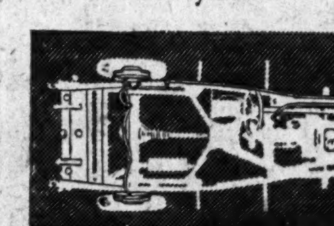
Drive this Plymouth Six before you buy any Low Priced Car

DRIVE this New Plymouth Six . . . learn for yourself that it actually out-performs many cars much higher in price.

Don't take our word for it . . . learn for yourself that Floating Power engine mountings absolutely smother engine vibration. Prove to your own satisfaction that Hydraulic Brakes give you a quicker, smoother stop. They are always equalized, require no lubrication, save brake linings . . . See for yourself that Plymouth is a big, full-sized car, with beauty and smartness.

With Hydraulic Brakes Plymouth gives you an all-steel body and a double-drop rigid X Girder-Truss frame. These three make the greatest safety combination in motordom.

The way to buy a motor car is by comparison. That's the way Plymouth dealers sell them. Won't you ask your Plymouth Dealer to give you a ride in a Plymouth Six . . . prove these features and a host of others? You won't be asked to buy unless you're convinced that you get more for your dollar.



SAFETY

Hydraulic Brakes and all-steel body with Plymouth's Double-Drop X type Girder-Truss frame make Plymouth a *safe* car.

$730

SEE THESE LOW PRICES—Standard Plymouth Six 4-Door Sedan, $730; 2-Door Sedan, $675; Rumble Seat Coupe, $710; Business Coupe, $655. F.O.B. factory, Windsor, Ontario, freight and taxes extra.

WITHOUT FLOATING POWER engine vibration transmitted to body of car makes car "jitter."

WITH FLOATING POWER engine vibration is smothered .. driving fatigue is banished.

• • NEW PLYMOUTH SIX • •

FLOATING POWER . . . HYDRAULIC BRAKES . . . ALL-STEEL BODY . . . 70 HORSEPOWER

Canadian Commodity Prices Fluctuate Widely in '33

Broad Price Advance Throughout Canada Affects All Groups

First Authentic Picture of Advances in Price of Many Commodities Revealed By Dominion Bureau of Statistics Indices for June

FOODSTUFFS AMONG LEADERS IN RISE

Narrowing of Spread Between Farm Produce and Manufactured Goods One of the Most Important Features Revealed—Consumer Has Not Yet Felt Full Effect of Increases, Survey Shows

First view of the broad picture of the advance in commodity prices which has been the outstanding feature of business during the past few months is provided by the Dominion Bureau of Statistics price indices for June.

Newspapers daily report new high levels for wheat, cotton and some other commodities but the lack of active markets in many commodities makes it impossible in Canada to obtain current quotations. This survey, therefore, by The Financial Post, of the indices compiled by the Dominion Bureau of Statistics, gives the first authentic information on price trends as they affect the majority of Canadian industries and individuals.

Wholesale commodity prices in Canada, taken as a whole, have risen 6.3 per cent from the low point reached in February of this year until June, individual groups varying all the way from the 47 per cent increase in Canadian field crops to an actual decline in the case of commodities composed of iron and its products, non-metallic minerals and chemicals, and producers' equipment— these groups reaching their low point in June.

While the importance of rising commodity prices cannot be overlooked, the relationship borne between wholesale prices of fully manufactured goods, partly manufactured goods and farm products is generally considered of particular significance. When the indices representing the prices in these groups stray far from one another —provided the base year was one of normal business—there can be no equitable balance of purchasing power.

Need Strong Farm Prices

As far as Canada is concerned, the absolute need for strong farm prices has often been stressed. The gradual increase of the spread between wholesale prices of Canadian farm products and manufactured goods has, therefore, been one of the most unfortunate features of the general price decline of the past three years. For the same reason, the improvement in this price spread has been one of the most important movements of the past few months.

In December, 1932, in which the index of the prices of Canadian farm produce reached the low point of 42.7 on the base of 1926 equals 100, the spread between this index and that of fully and chiefly manufactured goods was one of 25.4 points. In other words, $10 worth of Canadian farm produce which, in 1926, could be exchanged for $10 worth of manufactured goods, was then worth $4.27, while the manufactured goods were worth $6.81; it therefore required over $15 worth of farm produce on the 1926 standard to purchase the same amount of manufactured goods that were purchased in that year for $10.

Spread Narrows

Since December, however, the spread between these two price indices has gradually narrowed so that in June the difference was only 17.6 points. Prices of animals and animal products have failed to keep pace with the rise in field crops, the increase being only 5.8 per cent. Farm prices have yet to make a considerably quicker advance than the price of manufactured goods ere the balance of 1926—a year used as a base owing to it having been one of the most normal business years of the post-war era—can be again established.

While the price index of raw and partly manufactured goods and that of farm products did not stray so far from one another as did manufactured goods and farm products, there was a spread of 7.4 points at December, 1932. Since that time, however, this spread has been reduced to one of 5.3 points.

Two Related Groups

Another interesting phenomenon of price trends is that reduction in the prices of producers' goods precedes a reduction in the prices of consumers' goods by some months when prices are declining, while the opposite occurs in a period of rising prices. Expressed in a different manner, manufacturers require some time to pass on to consumers any reduction in price while they hold to old prices for some time after their own costs have gone up. However, there are certain manufacturing costs, such as labor, merchandising, etc., which remain fairly stable through good and bad times, and therefore in time of depression wholesaler prices of consumers' goods do not decline so rapidly nor so far as those of producers' goods.

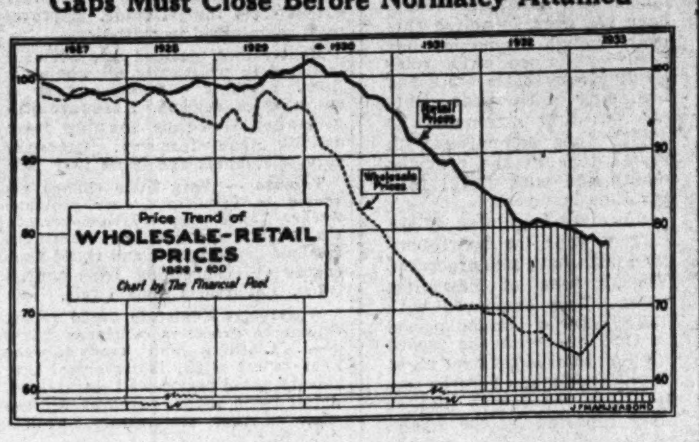
January of this year saw the first increase in the price index of producers' goods in three years, while it was not until March that any increase was recorded in consumers' goods. That further increases in consumers' goods are in store is indicated by the fact that while the producers' goods price index has risen 11.8 per cent from the low point, the index of consumers' goods has only increased 2.3 per cent.

Bottom Not Reached

Price indices surveyed according to chief component materials show that the three groups which have relatively best maintained the price level of 1926, iron, non-metallic minerals and chemicals, none of which sell at more than 20 per cent below the level of that year, have apparently failed as yet to reach the low point of the current downward trend.

Vegetable products was the first group to begin the price recovery, having fallen to almost half the 1926 level in December, the January index marking the start of the rise. This group also has made the largest gain, one of 22.3 per cent. March saw the beginning of the revival in the animal and non-ferrous metals groups, both of which had fallen lower than any of the others save the vegetable products group. The recovery in the case of non-ferrous metals and products has been extremely rapid, the June figure being almost 20 per cent above the February low, but the animals and their products index has only gained 5 per cent from the low of February.

Gaps Must Close Before Normalcy Attained



The sharp advance in wholesale prices which started in March has not yet been passed on to retail prices to any extent, this lag being a usual one when prices advance. It is also just as certain that retail prices will soon feel the effect of the increases in the wholesale commodities.

The comparatively sharper advance made by Canadian farm products prices compared with manufactured goods is one of the most essential trends if price increases are to be of any real benefit to Canada.

Price Index Survey Shows Many Large Advances

	Low point	1932 Dec.	1933 Jan.	Feb.	Mar.	Apr.	May	June	% Incr. fr. low
Total Index	Feb.	64.0	63.9	63.6	64.4	65.4	66.9	67.6	6.3
Chief Component Materials:									
Vegetable	Dec.	50.2	50.9	50.8	52.1	56.8	61.0	61.7	22.3
Animal	Feb.	57.4	57.1	55.8	58.2	59.6	58.7	58.6	5.0
Fibres & textiles	Apr.	68.5	68.0	67.9	67.9	67.3	69.3	70.0	4.0
Wood & paper	Apr.	63.8	63.6	63.2	63.2	59.6	59.8	62.0	4.0
Iron	June	86.2	85.4	85.2	85.0	85.0	84.5	84.2	...
Non-ferrous metals	Feb.	57.5	56.9	58.3	59.8	60.5	64.7	68.0	19.9
Non-metallic minerals	June	86.1	86.0	85.0	84.3	84.0	84.0	83.5	....
Chemicals	June	83.6	82.5	82.4	82.6	82.4	81.5	81.2	....
Purpose:									
Consumers' goods	Feb.	70.6	69.8	69.0	69.5	70.5	71.1	70.6	2.3
Foods, bev. & tobacco	Feb.	59.3	59.5	58.3	59.8	64.1	64.4	64.1	10.0
Producers' goods	Dec.	58.6	58.8	58.9	60.2	60.7	63.9	65.5	11.8
Producers' equipment	June	87.7	87.7	87.2	87.0	87.2	86.7	86.6	....
Producers' materials	Dec.	55.4	55.6	55.8	57.2	57.8	61.4	63.1	13.9
Bldg. & constr. materials	Feb.	75.7	75.8	74.7	75.1	74.8	75.6	78.9	5.6
Manufacturers' materials	Dec.	50.8	51.1	51.6	53.3	54.0	58.3	59.6	17.3
Origin:									
Raw & part. mfg.	Feb.	51.1	51.2	50.8	52.1	53.3	56.2	57.9	14.0
Fully & chief mfg.	Feb.	68.1	67.5	66.9	67.9	69.7	70.6	70.2	5.0
Farm origin (domestic & foreign):									
Field	Dec.	51.1	51.5	51.3	52.7	56.7	61.0	61.7	20.7
Animal	Feb.	58.7	58.5	57.2	59.4	60.7	60.2	60.0	5.0
Canadian farm prod.	Dec.	42.7	43.6	43.0	44.7	46.8	51.2	52.6	23.2
Field	Dec.	33.6	35.1	36.0	38.0	41.1	46.9	49.4	47.0
Animal	Feb.	57.8	57.9	54.7	56.0	56.4	58.4	57.9	5.8
Marine	Mar.	60.0	60.0	60.0	57.2	59.3	59.3	60.6	6.0
Forest	Apr.	63.9	63.9	63.4	63.4	59.9	60.0	62.2	3.8
Mineral	May	81.2	80.5	80.0	80.1	79.9	79.8	80.0	0.3

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que. — Sault Ste. Marie, Ont.
Beaupre, Que. — Iroquois Falls, Ont.
Sturgeon Falls, Ont. — Smooth Rock Falls, Ont.
Espanola, Ont. — Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp — News Sulphite Pulp
High Grade Bleached Sulphite Pulp

High-grade Investments

	Rate	Maturity	Price	Yield
†Dominion of Canada	4½%	Nov. 1, 1959	99¾	4.52%
*D. of C. Gtg. C.N.R.	4½%	Sept. 1, 1951	101⅛	4.36%
Province of Ontario	4½%	June 1, 1950	99	4.60%
Province of Manitoba	5½%	July 1, 1958	93¾	6.00%
*City of Montreal	4½%	Feb. 1, 1946	97¾	4.75%
City of Toronto	4½%	Aug. 1, 1955	99¾	4.65%

†Ex-talons.
*Payable in Canada and New York.

Full details of any of the above issues and a more complete list of suggestions furnished upon request.

NESBITT, THOMSON and Company Limited
355 St. James Street, Montreal
Branches in all Principal cities of Canada

Public Utilities

MONTREAL POWER MAKES CONTRACT WITH WESTMOUNT

Do Away With Differences in Rates — Absorb New System

From Our Own Correspondent

MONTREAL.—Differences existing between electric rates charged by the City of Westmount and the Montreal Light, Heat and Power Consold. have been settled following upon many months of negotiations.

A new agreement has been concluded to replace the contract now in force and which expires in 1934. Under this agreement the city undertakes the distribution of electric energy to all public and private individuals or companies within the confines of Westmount and, among other considerations, will purchase from the company the full quantity of electricity required for these purposes and all municipal services and street lighting.

Westmount further agrees that its rates shall, during the period of the agreement, conform to the electricity rates in force in the metropolitan area of Montreal, subject to existing contracts. This will mean increased rates for Westmount users, as the charges by Montreal Power in the metropolitan area have been higher than those charged by the municipal system.

Absorb Baie d'Urfe Unit

Announcement is also made by Montreal Power of the acquisition of the municipally-owned electric distribution system of Baie d'Urfe. This system was purchased in 1930 but being leased to an adjoining municipal distributor was not taken over by the company until the expiry of the lease on July 15.

Previously electricity was purchased en bloc and furnished to consumers at the net rate of 10.8 cents per kw.h. As customers of Montreal Power consumers will now be served at the standard metropolitan rate of three cents per kw.h.

Baie d'Urfe is one of the nine local municipalities to abandon publicly-operated electric distribution systems and is the 19th local system to be incorporated into the metropolitan system; making a total of 44 municipalities served by Montreal Power in Montreal and district.

Quebec Power Absorbs Bus Line in Territory

From Our Own Correspondent

MONTREAL. — Quebec Railway, Light and Power Co., subsidiary of Quebec Power Co., has acquired the Red Line Autobus Service. The Quebec Power Co., which presently operates a tourist bus service throughout the city and to Ste. Anne de Beaupré, by the new acquisition will develop a passenger bus system which will take in Loretteville, Charlesbourg and Beaupré coast and sections of Portneuf country.

The Red Line has been the sole independent line operating in Quebec City for the past few years and its acquisition by Quebec Power gives the latter company entire control of this type of transportation in this district.

BELL TELEPHONE COSTS UNAFFECTED

Downward Trend Commodity Prices Not Reflected in Costs

From Our Own Correspondent

MONTREAL.—Downward trend in commodity prices which characterized the business situation until quite recently did not materially affect the cost of rendering telephone service, in spite of many substantial economies.

In a circular letter covering current dividend cheques sent to shareholders, C. F. Sise, president, has the following to say in respect to costs and commodity prices:

"Your company's investment of $190,000,000 in telephone plant is for components which are relatively permanent in character — that is, for buildings, switchboards, underground conduit, cables, lines and equipment.

"This telephone plant must be maintained at high standard, taxes must be paid on it, depreciation provided for and a return paid for the money used in its construction. These charges account for considerably more than half the annual cost of giving service, and are determined by the amount of the investment rather than by the number of telephones in operation or the number of calls made. They go on in good times and bad, and are affected very little by falling off in the volume of business.

Costs Are Unchanged

"In most undertakings, when the cost of material goes down, the benefit can be passed on at once to the customer. It is not so in the telephone business. The additions and replacements in one year are only a small fraction of the total plant, and materials constitute a small part of the annual cost of operation.

"As for the cost of labor, by shortened hours employment was continued for the largest number permitted by the volume of work available. The savings effected here, while considerable, served only partly to offset decline in revenues through the falling off in business."

Norris Elected President Beauharnois Power Corp.

From Our Own Correspondent

MONTREAL.—J. S. Norris, president of Montreal Light, Heat and Power Consold., has been elected to a similar position with the Beauharnois Power Corp. He also holds the position of president and chairman of Beauharnois Light, Heat and Power Co.

The presidency of the Beauharnois Power Corp. has been vacant for some time and the election of Mr. Norris is a further development of the reorganization plan now being effected, following upon its recent approval by holders of Beauharnois securities.

Canadian Airways Report Progress in May

From Our Own Correspondent

MONTREAL. — Canadian Airways Ltd. report 740.51 hours flown in May, bringing the total for the first five months of the current year up to 5,364.24. Miles flown by Canadian Airways machines in May totalled 66,981 which brings the cumulative total up to 490,919. Mail, freight, express, etc., carried by Canadian Airways machines in May amounted to 113,696 lbs., or a total of 1,031,273 lbs. for the first five months of 1933. The number of passengers carried in May was 869, increasing the cumulative total to 3,717.

Dearer Raw Materials Portent Higher Prices For Food and Clothing

Survey of commodity groups classified according to chief component materials, as compiled by the Dominion Bureau of Statistics, reveals that raw materials have made the greatest advances and that in some cases none of this advance has been passed on to the consumer. For example, while prices of hides and skins and unmanufactured leather had advanced considerably by June the price of boots and shoes had remained constant.

That these advances will be passed on to the consumer sooner or later is certain. In some cases, manufactured goods' costs are already advanced.

The following analysis has been specially prepared by The Financial Post.

Fertilizer Dearer

Farmers are the only persons affected by the increased price of chemicals and allied products, higher quotations for fertilizer raising the price index for this commodity 1.3 points from the low point of April. Other items remained at approximately the same levels as for some months past.

Chemicals and Allied Products Price Indices (1926 = 100)

	Low Point Month	Low Point Index	June Index	Incr. Points
Inorganic	Jan.	91.2	91.5	0.3
Organic	May	72.3	72.9	0.6
Coal tar prod.	June	91.6	91.6	....
Dyeing & tanning mat.	June	101.6	101.6	....
Paint materials	June	69.4	69.4	....
Drugs, etc.	June	69.3	69.3	....
Fertilizers	April	71.7	73.0	1.3
Industrial gases	June	88.7	88.7	....
Soap	June	92.6	92.6	....
Group Index	June	81.2	81.2	....

Base Metals Higher

The key to some of the market activity in mining stocks is contained in the price indices for non-ferrous metals. Silver, tin and copper have all made strong advances during the past few months while lead antimony and zinc are also higher.

Only aluminum and nickel have failed to rise and the former, being controlled by one company, does not vary from year to year.

Non-Ferrous Metals Price Indices (1926 = 100)

	Low Point Month	Low Point Index	June Index	Incr. Points
Aluminum	June	94.2	94.2	....
Antimony	Jan.	35.5	41.4	5.9
Brass, copper	Jan.	47.0	64.7	17.7
Lead & products	Jan.	40.9	48.8	7.9
Metallic nickel	June	97.5	97.5	....
Silver	Dec.	46.6	63.9	17.3
Tin ingots	Jan.	44.8	80.0	35.2
Zinc & products	Jan.	44.5	52.6	8.1
Solder	Jan.	45.0	73.4	28.4
Group Index	Jan.	56.9	68.0	11.1

Construction Costs Up

Building costs are rising.

It is significant that practically all the price increases in the non-metallic minerals group occur in building materials, the only exceptions being petroleum and pottery.

Lime, sand and gravel, plaster and asbestos are higher but the increases are not sufficient to affect the general index for the group which fell to a low point in June. The decline from the high 1929 levels has, however, been slow.

Non-Metallic Minerals and Products Price Indices (1926 = 100)

	Low Point Month	Low Point Index	June Index	Incr. Points
Bricks	April	99.3	100.6	1.3
Pottery	April	78.8	86.7	7.9
Coal	June	86.7	86.7	...
Coke	June	94.0	94.0	....
Coal tar	June	107.7	107.7	....
Glass	Dec.	76.4	77.5	1.1
Petroleum	Mar.	71.5	72.6	1.1
Salt	June	114.6	114.6	....
Sulphur	June	113.3	113.3	....
Plaster	Apr.	96.5	98.9	2.4
Lime	Apr	91.2	96.9	5.7
Cement	June	105.5	105.5	....
Sand & gravel	May	85.3	88.8	3.5
Crushed stone	June	71.4	71.4	....
Building stone	June	63.8	63.8	....
Asbestos	Apr.	71.2	73.5	2.3
Group Index	June	83.5	83.5	....

Iron Remains Low

Every component of the iron and products group reached a low point in June although some reports received since that time would indicate a slight stiffening of prices.

While no increase is shown by the price indices it is important to remember that the decline in the commodities covered by this group has been a slow one with the exception of scrap iron.

Iron and Products Price Indices (1926 = 100)

	Low Point Month	Low Point Index	June Index	Incr. Points
Pig iron & steel billets	June	81.7	81.7	....
Rolling mill prod.	June	89.1	89.1	....
Pipe (cast iron & steel)	June	89.0	89.0	....
Hardware	June	86.6	86.6	....
Wire	June	81.5	81.5	....
Scrap	June	38.0	38.0	....
Miscellaneous	June	95.0	95.0	....
Group Index	June	84.2	84.2	....

Lumber Prices Advance

Higher quotations for lumber are almost entirely responsible for the increase shown by the wood and paper group although pulp prices have gained slightly. Such price increases as have occurred have been chiefly caused by export demand and speculative buying, the domestic market remaining dull.

Wood, Wood Products and Paper Price Indices (1926 = 100)

	Low Point Month	Low Point Index	June Index	Incr. Points
Newsprint	June	53.4	53.4	....
Lumber	Apr.	64.7	72.0	7.3
Pulp	May	62.6	63.3	0.7
Furniture	June	68.1	68.1	....
Matches	June	76.2	76.2	....
Group Index	Apr.	59.6	62.0	2.4

Clothing Costs Steady

Cotton, silk and wool prices have made a big gain this year but the buying public in Canada has not yet been asked to carry the extra burden to any extent. Thus, while raw cotton has risen more than 50 per cent, cotton yarn and cotton fabrics are only slightly higher; the increase in the price of raw silk has not been carried to silk manufactures at all while wool yarns and wool cloth have only gained slightly in the face of a 30 per cent gain in raw wool prices.

One of the most interesting indices is that for carpets which, after remaining at the same level through the latter part of 1932 and the first part of this year suddenly dropped 12 per cent in June.

Fibres, Textiles & Textile Products Price Indices (1926 = 100)

	Low Point Month	Low Point Index	June Index	Incr. Points
Cotton, raw	Dec.	39.5	60.0	20.5
Cotton yarn & thread	Apr.	79.1	83.8	4.7
Cotton fabrics	Apr.	75.1	77.9	2.8
Knit goods	June	77.8	77.8	....
Sash cord	June	101.3	101.3	....
Flax, hemp & jute prod.	Apr.	44.8	52.5	7.7
Silk, raw	Feb.	22.7	38.8	16.1
Silk thread & yarn	June	60.7	60.7	....
Silk hosiery	June	66.3	66.3	....
Silk fabrics	May	51.0	51.8	0.8
Art silk prod.	June	58.9	58.9	....
Wool, raw	Dec.	30.4	43.7	13.3
Wool yarns	Apr.	67.0	69.5	2.5
Wool hosiery & knit goods	June	80.8	80.8	....
Wool blankets	June	64.3	64.3	....
Wool cloth	Apr.	68.9	72.9	4.0
Carpets	June	81.7	81.7	....
Group Index	Apr.	67.3	70.0	2.7

Shoe Prices Will Rise

It won't be long at the present rate of price increases before your shoes will cost you more—in fact, the increases in hides and skins and unmanufactured leather made to date will, in all probability, be soon passed on to the consumer. Some advances have occurred already although this is not reflected in the figures under review. The price gains start with livestock, on the hoof, which are up 14.5 points from the February low, hides and skins are considerably more than double the December low mark while unmanufactured leather is 12.5 points higher than the April low. Boots and shoes, as yet, remain at same level as in January.

With these impressive gains in the prices of animals and leather it would be expected that the group index would show a greater gain than it does. However, milk and its products reached a low point in June—the usual seasonal decline—while eggs, fishery products and furs are only slightly higher.

Animal Products Price Indices (1926 = 100)

	Low Point Month	Low Point Index	June Index	Incr. Points
Fishery prod.	Mar.	57.3	60.6	3.3
Furs	Jan.	47.2	51.0	3.8
Hides & skins	Dec.	26.5	67.9	41.4
Leather, unmanuf.	Apr.	69.7	82.2	12.5
Boots & shoes	June	88.8	88.8	....
Livestock	Feb.	46.4	60.9	14.5
Meats & poultry	Feb.	45.8	55.7	9.9
Milk & products	June	57.3	57.3	....
Fats	Feb.	46.2	53.3	7.1
Eggs	May	39.5	42.0	2.5
Group Index	Feb.	55.8	58.6	2.8

Vegetable Foods Dearer

Vegetarians in Canada have been the chief sufferers in the recent rise in wholesale prices, the vegetable products group, chiefly composed of foodstuffs, having made the most rapid rise. Price changes within the group are by no means regular, however, some items showing consistent gains in every month this year while others, such as canned fruits and tobacco, have failed to make any price gain as yet.

Grains have made the most impressive gain although the June index is not half of the 1926 total. Since these June indices were compiled there has been a further sharp advance in grain prices so that the July figure will be considerably higher.

Sugar is a large contributor to the increase in the group index, the tax of 2 cents a pound being chiefly responsible. Foreign fresh fruits, flour and milled products and vegetable oils are other items which have made good gains.

Little increase is shown in the prices of fresh domestic fruits, bakery products, rubber and its products and tea, coffee and spices.

Vegetable Products Price Indices (1926 = 100)

	Low Point Month	Low Point Index	June Index	Incr. Points
Fruits	Mar.	78.6	82.9	4.3
Fresh, domes.	Mar.	76.3	77.6	1.3
Fresh, foreign	Dec.	80.5	92.4	11.9
Dried	Feb.	79.1	85.0	5.9
Canned	June	66.1	66.1	....
Grains	Dec.	30.3	48.5	18.2
Flour & milled prod.	Dec.	50.7	57.9	7.2
Bakery prod.	Mar.	80.9	81.2	0.3
Vegetable oils	Feb.	50.4	60.4	8.0
Rubber & prod.	Apr.	52.4	53.7	1.3
Sugar & prod.	Feb.	68.8	106.7	37.9
Tea, coffee, spices	Feb.	62.0	63.3	1.3
Tobacco	June	44.6	44.6	....
Vegetables	Jan.	47.7	53.2	5.5
Miscellaneous	June	56.0	56.0	....
Group Index	Dec.	50.2	61.7	11.5

Sees All Crack Trains Air-Cooled in Future

"With a return to anything like normal earnings every first class limited train in the United States will be quickly equipped with air-conditioned cars," said W. J. Black, passenger traffic manager of the Atchison, Topeka & Santa Fe Railway System, as quoted in a dispatch to the Wall Street Journal.

"As for the Atchison, it was preparing to air-condition all its limited trains when the traffic slump came on. We went ahead, however, and air conditioned all our dining cars.

"At that time, three years ago, the cost of this work was about $7,500 per car, but it may since have been reduced by modifications and improvements.

"Installations of the necessary equipment will, of course, mean large financial outlays and several years time for the whole country, but it will be one of the longest steps forward taken for travel comfort in rail history and should go far toward winning the public back to the rail carriers."

We Suggest
Dominion of Canada
4½% Conversion Loan Bonds
Due November 1st, 1959
(Ex talons)
Price: At the market, yielding about 4.50%
Orders may be telephoned or telegraphed at our expense.
Wood, Gundy & Company Limited
Telephone ELgin 4321
36 King St. West Toronto

PUBLIC UTILITY and Industrial Corporation Bonds. Statistical information and quotations upon request.
MILNER, ROSS & CO.
Members Toronto Stock Exchange
350 Bay Street — Toronto
Telephone Waverley 1701

SAFE at any SPEED

Firestone High Speed Tires are just what their name implies ... tires built for the fast speeds of today's motor travel. So strongly are these tires built that they give you 25 to 40% longer tire life ... At No Extra Cost. Only in Firestone tires can you get all these features which make for extra strength, extra safety and extra value.

Worn tires are dangerous ... replace them now ... see the nearest Firestone Dealer today.
Firestone
THE TIRE that TAUGHT THRIFT to THOUSANDS

News of Investment Markets

ANGLO-NFLD. CO. MAKES OFFERING OF £1,750,000

Supplies Newsprint to "Daily Mail" — Shares in Buchans Mine

Anglo-Newfoundland Development Co., Ltd., has offered £1,750,000 of 4½ per cent, first mortgage debenture stock on the London market at 98 to provide part of the necessary cash to redeem the bonds and pay off the preference stock of the predecessor company of the same name. The new company was incorporated in Newfoundland, and has acquired the undertaking and assets of the predecessor. The share capital of the new company is $15,000,000, authorized, $7,264,500, to be issued, in $5 shares.

The properties acquired consist chiefly of a paper mill, land, timber limits, power plants, steamships, terminal facilities, and a large interest in the Buchans mine through 98 per cent of the stock of Terra Nova Properties Ltd. The latter company has mineral rights for 99 years from 1905 over about 2,320 square miles in the Red Indian Lake district of Newfoundland. Under arrangements made prior to 1929 Buchans Mining Co., Ltd., a subsidiary of American Smelting & Refining Co., Ltd., acquired the right to prospect and work mineral deposits in the area. Terra Nova Properties Ltd. is entitled to participate in 50 per cent of net profits of Buchans Mining Co., after allowing for interest and amortization.

Supplies "Daily Mail"

The predecessor company has been the chief source of paper supply for the London "Daily Mail" and its associated newspapers, and for Newfoundland newspapers. The manufacturing costs of the paper plant of the company are said to be among the lowest in the industry.

The assets of the predecessor company are estimated worth £4,288,608 at $4.60 to the pound. From this amount deduction of £992,714 is required to redeem outstanding second mortgage bonds at 103 and £873,971 to pay off preference stock. This leaves assets valued at £2,421,923. To this is added £1,632,000, the estimated proceeds of the present issue of debenture stock. This would result in total assets of £4,053,923. The redemption of bonds is calculated on the basis of £963,800 outstanding at Dec. 31, 1932.

The estimated proceeds of the new issue indicate that it is costing the new company £35,000 in discount and £83,000 in other charges to float the issue of £1,750,000. Outside the discount, it is apparently costing about 4¾ per cent of the funds subscribed to float the issue.

Earnings of Predecessor

Earnings of the predecessor company are certified as follows, after deduction for depreciation and depletion, but before income tax, bond interest, special reserves and *without allowance* for profits and losses on sale of investments:

Earnings of Predecessor	
12 mos. to Aug. 31, '30	$1,199,103
16 mos. to Dec. 31, '31	1,981,377
12 mos. to Dec. 31, '32	1,221,726

The bond interest for these three periods was, respectively: $362,520, $464,507 and $251,817.

Security for Interest

The service of the interest on the new debenture stock, amounting to £122,500 per annum, will be secured by a first charge on proceeds of sale of newsprint paper up to that amount per annum received from Associated Newspapers Ltd. The average consumption of the latter company for the last six years is stated to have been worth £1,250,000 per annum at present English prices for newsprint. A contract to supply Associated Newspapers Ltd. with all its newsprint for 25 years is held by the company.

Directors of Anglo-Newfoundland Development Co., Ltd., are: F. J. Humphrey, investment banker, New York; R. A. McInnis, vice-pres. and managing director, Quebec; V. S. Jones, vice-pres., Grand Falls, Nfld.; F. W. Clarke, vice-pres. of Anglo-Canadian Pulp and Paper Mills Ltd., Quebec; A. S. Fuller, director of Daily Mirror Newspapers Ltd., London; H. A. Guess, vice-pres. American Smelting & Refining Co., New York; Hon. E. C. Harmsworth, chairman Associated Newspapers Ltd., London; R. C. McMichael, K.C., Montreal; E. A. Sursham, director Anglo-Canadian Pulp & Paper Mills Ltd., London; W. E. Wood, K.C., St. John's, Newfoundland.

Contend Walker's Preferred Share Melon With Common

Preferred shares of Hiram Walker-Gooderham & Worts, Ltd. are now getting a substantial share of speculative attention on the belief that they may share equally with the common stock in any melon-splitting. But there doesn't seem to be agreement on whether or not there is to be a melon.

The basis of the great activity of the preferred is said to be that the shares may participate equally with the common in any bonuses or rights voted and also carry voting power. But the preferred is callable at $20 and is selling around $18.

Street gossip, which creates a "new deal" for Walker's every day, has it that inside holders of the common shares liquidated a large part of their holdings between $30 and $40 a share. To retain voting control it is rumored that substantial holdings of preferred shares were acquired, this stock being available at about half the price of the common.

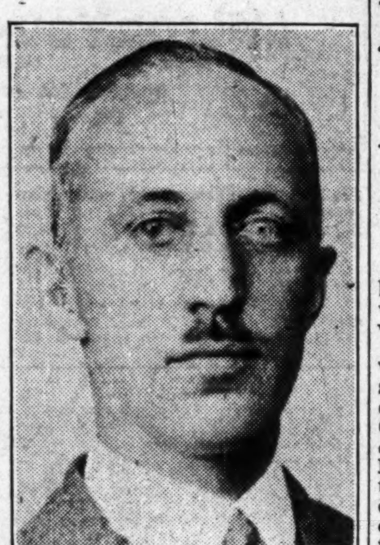
According to this board room talk, the position now is that those who converted their common into preferred at a profit will want to share equally with the common in any rights which may be offered or in any cash bonus which may be paid. It is contended that this can be arranged through the voting power of the large preferred shareholders. For this reason speculators in the preferred stock think it will not be called. If it were, its voting power would be lost to the holders.

What this situation, if it exists, could do to the price of the preferred and common shares is problematical. It is unusual for a preferred stock to sell above its call price, in this case $20, unless it carries valuable conversion privileges. Nevertheless some optimistic holders suggest that it may occur in the case of Walker's preferred. They also expect the common to drop nearer the value of the preferred, when all the foregoing becomes generally known. In brief the contention of this latest Walker's story is that the preferred shareholders are likely to get everything the common shareholders get, and also have the advantage of a dividend.

As further reason for this argument, its proponents point out that the preferred and common were given to holders of old common stock last year on an equal basis. That is one preferred and one common share were given for every four shares of the former common. Now it is claimed that this means that both classes of stock may be treated equally in any merger negotiations or in any melon-slicing.

There were 514,345 shares of the present preferred and 660,000 shares of the present common stock of Hiram Walker-Gooderham & Worts, Ltd. outstanding at Aug. 31, 1932. Between March 4 and August 31, 1932, 145,665 preferred shares were bought in by the company at an average cost of $9.42 and cancelled.

Opens New York Branch



M. H. BLUETHNER
Who has been appointed manager of the new branch office opened in New York by Drury & Thompson, members of the Montreal Stock Exchange.

Public Utility Earnings

Southern Canada Power	1933	1932	Decrease
June—	$	$	$
Gross earn.	164,676	174,008	9,332
Oper. exp.	62,372	64,610	2,238
Net earn.	102,304	109,398	7,094
9 months—			
Gross earn.	1,592,412	1,693,929	101,517
Oper. exp.	565,674	630,593	64,919
Net earn.	1,026,738	1,063,336	36,598

DOMINION BONDS ADVANCE STEADILY WESTERNS FIRM

Advent of British Money Into Canada Strengthens Gilt-edged Bonds

Prices for Canadian gilt-edged bonds advanced steadily in the week ended July 18. Western provincial bonds also showed strength.

The improvement in Eastern provincial and Dominion bonds is considered indicative of the influence of British money coming into the Canadian market due to the rise of the pound sterling to above $5. Dealers state that individual investors are not strong buyers of government securities. The Canadian demand comes largely from institutions, they say.

The trend of yields on Eastern provincial and Dominion securities is shown in the following table:

Average Yield on Seven Canadian High Grade Bonds Based on Offering Prices

	%		%
July 18	4.469	July 11	4.490
July 17	4.464	July 10	4.496
July 15	4.483	July 3	4.509
July 14	4.486	June 15	4.484
July 13	4.487	June 1	4.467
July 12	4.489	May 1	4.655

Continued advances have been shown in July for Western provincial bonds. The market showed considerable absorptive power, moreover, in taking $3,500,000 of Manitoba 5½'s a week ago. The general tendency is to strength. Advances have been continued, chiefly, it is thought, due to the continued advance of wheat at Winnipeg.

Adverse Factors

Whether or not the smaller crop this year will offset the rise of wheat prices remains to be seen. If it does, Western financing would feel little relief from its burden because taxpayers would be little benefitted. There is also the question of whether Canadian wheat can be sold in sufficient quantities at present Winnipeg prices.

Representative Western provincial bonds show the following price changes this month:

Comparative Bid Prices on Representative Western Provincial Bonds

	July 18	July 3
Manitoba, 5½s, 1955	94	93
Saskatchewan 6s, 1952	99½	97¾
Alberta 6s, 1947	101½	100¾
Br. Columbia 6s, 1947	101½	100½

Colombia Starts Interest Payment External Bonds

Republic of Colombia has arranged to pay the interest on its external sterling and dollar bonds, of which default was announced on April 10, 1933. The first step toward payment is an arrangement to meet all interest due between April 24, 1933, and Jan. 1, 1934, by payment of one third in cash and two thirds in scrip. The latter will be in the form of deferred interest certificates due Oct. 1, 1937, not bearing interest.

Cash and scrip certificates will be issued on presentation of defaulted coupons on all Colombian bonds or guaranteed bonds. These are being paid to both British and American creditors on equal basis.

Colombia was forced to default interest on its external debt in April because of hostilities with Peru. The suspension of these hostilities allows the resumption of payments. The Government of Colombia is reported to be anxious to maintain faith with its foreign creditors, and to re-establish its credit by meeting all its obligations as far as possible.

The Government of Colombia is understood to intend resumption of full service of its external debt in cash in 1934.

Quebec Asks Tenders on $10,350,000 of Bonds

From Our Own Correspondent

MONTREAL.—Province of Quebec has called for tenders on $10,350,000 of non-callable 25-year sinking fund bonds or two-year notes. Alternative bids were requested on the bonds bearing interest at 4½ and 4¼ per cent. The notes carry a 4 per cent coupon and in both instances interest and principal are payable only in Canadian funds.

This money is being borrowed by the province to reimburse the Consolidated Revenue Fund for advances made to cover capital expenditures authorized under various acts of legislation.

Ticker Tape

Lake of The Woods

COMMON stock of Lake of the Woods, which has been faced with difficult problems over the past 18 months and one of whose bakery subsidiaries has defaulted on bond interest, has been bid around 18, compared with a low of 5 this year. The preferred is still in arrears.

* * *

Textile Stocks

THE "textile" stocks have not shown any marked appreciation in value despite their more favorable operations lately. Dominion Textile Co., Canadian Cottons and other companies are working at capacity and earnings this year are expected to be on a more favorable basis.

* * *

Beauharnois Power

A GOOD example of the speculative interest in stocks is seen in Beauharnois Power Corp. whose common stock is selling in the neighborhood of $7. Several years will elapse, even under favorable conditions, before the company's income is sufficient to take care of interest charges.

* * *

Winnipeg Electric Co.

CONFIDENCE in Winnipeg Electric Co., which has failed to live up to its guarantee of two subsidiaries' bond issues, is seen in a bid of 4 for the common stock. Recent official information on this company's position has not been favorable. It may have to undergo a reorganization and much will depend upon negotiations with bondholders' committees.

* * *

Steel of Canada

STEEL OF CANADA'S common stock has come in for more attention lately. Additions to the working force and a more confident tone in the steel business are regarded as favorable factors. Last year this company did not earn anything on its common stock, but the strong financial and operating position of the company are factors which will stand the company in good stead when business goes ahead.

* * *

General Steel Wares

GENERAL STEEL WARES is understood to have experienced a fairly substantial pick-up in business lately. It is too early to determine whether or not this improvement will be continued. Meanwhile the management continues to follow its policy of cutting down the funded debt through the retirement of bonds. There do not appear to be any immediate prospects of placing the preferred stock back on a dividend basis, but the common which was quoted at less than $1 a share a short time back is now changing hands at around 6.

* * *

Ford of Canada

FORD MOTORS OF CANADA A stock, which sold at 6 a few months ago, capped a continuous advance in recent weeks on July 17 when it ran up to 20 under very heavy trading. The company, like some of its chief competitors, is offering a beautiful car this year but sales to the end of May in Eastern Canada at least were not as high as in 1932 for the same period.

How can one assess a stock like Ford? It has as background a record of marvellous achievement with the cars that preceded 1928 and after the change-over it made a net profit of $5,232,819 in selling 89,792 cars and tractors in 1929.

In 1930, with general business slowing up, it changed its car somewhat and sold 72,445 cars and tractors to make a net profit of $3,157,877.

In 1931 Ford changed its car again, eliminated tractors from the Canadian output, and had a deficit of $1,384,757 in selling 30,980 cars.

In 1932 the company presented a wholly new body in an improved car and lost $5,206,736 in selling 25,218 cars.

In 1933 there has been still further improvement in body for both 8's and 4's but to the end of May Ford sold in Eastern Canada in 1933, 2,760 passenger cars as compared with 2,969 cars for the same period in 1932. May's total was 1,120 passenger cars in 1933 and 1,492 cars in 1932 in the Eastern Canada area.

From this it would appear that Ford of Canada needs to sell more than 31,000 cars to break even or else to make a larger profit per car. The difference between selling 25,218 cars at a loss in 1932 and 89,792 cars at a profit in 1929 is nearly $10,500,000. It is possible that 50,000 cars sold might make enough earnings to pay dividends

Total sales made public to date, however, do not show increases in 1933. June sales will be much larger than May, and one wonders if that is what the stock market is foretelling.

In the long run this company with working capital of $22,641,921, good cars, able management may show 'em all; but in the meantime increases in stable employment are the best index. Sales should jump as purchasing power does and purchasing power should rise as unemployment disappears.

In Brokerage Firm

EDWARD F. SEAGRAM
President of Joseph E. Seagram & Sons, Ltd., who is a partner in the newly formed brokerage firm, Seagram, Harris & Bricker, with offices on the Toronto Stock Exchange and Montreal Curb Market.

Alcohol Stocks

THE "alcohol" stocks are enjoying a little bull market all their own on the Montreal Stock Exchange. Their spectacular advance of late has caused many sighs from those who failed to "get on board" before the rise started. The conservative element are keeping their tongue in check and wondering when the "whiskies" are going to sell on a basis bearing some relation to equity or earning power. When that happens, present values may appear to be a bit high. Meantime "the merger" has been put back in the stable and all attention is devoted to how soon the large stocks of Canadian alcohol, which have reached a matured age, can be sent to the market on which the recent buyers of "alcohol" stocks have been pinning their hopes.

* * *

Dominion Motors

DOMINION MOTORS—sold at 1 at one time this year—got up to 4¾ under the spur of the new enthusiasm for motor stocks July 17. It is not present business which sends it up but hopes for the future based on the idea that improving general business will aid all motor companies. The company manufactures and sells Durant, Frontenac and Reo cars and Rugby and Reo trucks in Canada. At the end of 1932 it owed the banks $972,100 including $571,000 to Leaside Investments and $401,000 to York Acceptance Corp. Drop in cash and investments and call loans from $1,000,000 to $111,253 in 1932 and lower inventories brought working capital from $2,052,866 to $225,533.

It can make 175 units daily at Leaside plant. If it ever does anything approaching that number, the present buyers of stock will be able to cheer. Announcement of a new "Frontenac" soon is also increasing market interest, and spiking rumors that there was a probability of the plant being closed down.

* * *

B. C. Packers

BRITISH COLUMBIA PACKERS common stock has advanced this year from a low of 1 to a high of 6½ and the preferred stock from a low of 6 to 20. Restricted operations in the last few years resulted in the carryover from former packs being largely exhausted and the prospects are that somewhat larger operations this year will produce a pack which should be more easily marketed than for years.

Last year England would have taken much more than it did if the pack had included more of the sockeyes and pinks, which are a favorite in England. The position of the stocks is all the better because the bank loans in the preceding two years had been reduced from $3,042,000 to $590,000 and inventories from $4,086,719 to $1,090,197 as at February 28, 1933. The company has a working capital deficit of $281,000 to overcome and a total balance sheet deficit of nearly two million dollars before dividends can be paid. One or two good packs, marketed readily at good prices, would, under the circumstances, strengthen the company's position very greatly.

* * *

Goodyear Tire

GOODYEAR TIRE OF CANADA common stock, once at 40 this year, is now selling at around 114 and paying dividends at the rate of $2.40 a share. It is going up with the motor car stocks and followers of this stock are not forgetting also that the major companies in the United States have made several increases in tire prices of late. Raw rubber has risen and the upward skyrocketing of cotton has made them think that higher prices are inevitable in Canada as well.

Canadian tire companies as a rule, however, only increase their prices when they have to buy the new raw materials at advanced prices. There is therefore a pronounced lag both upward and downward between United States and Canadian tire prices.

As Canada buys most of its raw cotton in the United States there may prove to be eventually a really close connection between tire prices here and the signing by President Roosevelt of the cotton textile code. The child labor provision, the bill fixing a minimum wage for textile mill labor and the provision that after August 7 machines in textile plants may not be operated more than 80 hours weekly as compared with 144 hours as at present, will all have an effect in increasing costs. A tire fabric shortage is even feared by some as ordinarily cotton milled during August is used by tire factories in September.

Canadian tire companies do not desire to raise prices until forced to as it is felt that lower prices are a greater aid in securing volume until purchasing power is definitely well distributed in a period of returning business activity.

Statement by C. H. Carlisle, president, along with last dividend cheques showed that the company had earned all dividends with a considerable surplus, that company's purchases of cotton and rubber showed a profit of half a million dollars which had not been included in estimate of half year's earnings, that reserves were being set up at usual rate, that the company had redeemed another 175 shares of preferred stock, that it had purchased $352,000 of the bonds of Goodyear Cotton Co. and that this left only $999,500 of the original issue of $2,000,000 in the hands of the public.

Mr. Carlisle stated moreover that the company's output showed improvement in the second quarter of the year. The current assets exceed ten million dollars, the cash, bonds and other investments are more than six and a half million dollars and the surplus is about $7,352,000. Moreover, the company is still adopting a conservative policy in view of the fact that the major world problems remain unsolved, that is, stabilization of currency, international trading and international debt settlement.

A more valuable pound sterling as measured in Canadian dollars is believed to have improved prospects for foreign business by Goodyear and other Canadian tire and rubber companies. Canada's exports for the year ended May 31 last at $5,383,037 were about $4,300,000 lower than the previous year but May itself showed a total of $571,509 as compared with $528,310 in May of 1932 and as compared with $362,100 in April of 1933. The largest individual export was to the United Kingdom to the extent of $204,419, the United States taking only $2,892, while other countries took $64,198 total.

Returns from the Department of Trade and Commerce show the trade picking up quite well throughout the Empire. The British West Indies, British South Africa, Straits Settlements and especially New Zealand are good buyers of pneumatic tire casings, inner tubes and boots and shoes. Brazil showed itself interested in rubber belting, United Kingdom in canvas shoes with rubber soles and other India rubber manufactures and especially in rubber heels and rubber soles.

Sales are well scattered and, therefore, the market in various countries is being held until exchange conditions improve. The general consensus that there is trend toward unity of policy as to currency and price raising among Canada, the United States and the United Kingdom is also believed to be in the interests of better trading results in foreign markets for Goodyear Tire.

Traders Value Distilleries In Canada at $200,000,000

In Heavy Turnover of Shares Market Valuations for Four Principal Canadian Stocks Soar to Astounding Heights

At the high point reached for distillery stocks on July 18 market valuations reached the total astounding figure of $192,015,177 as compared with $17,185,128 at the low point this year. In other words, events of the year and especially the unmistakable trend of the various states of the United States toward reinstatement of the liquor industry and traffic, are supposed to have increased the value of these stocks more than ten times.

Market Valuation of Distillery Stocks

	Low for 1933	High July 18
Walkers—	$	$
482,354 pref.	4,522,069	8,682,372
660,000 com.	2,227,500	43,560,000
Total	6,749,569	52,242,372
Book value		29,886,500
Work. cap.		14,461,332
Dist. Corp. Seagrams—		
1,500,006 com.	6,000,024	78,750,315
Book value		20,228,213
Work. cap.		10,471,671
Can. Industrial Alcohol—		
969,480 cl. A	1,454,220	38,779,200
123,435 cl. B	92,576	4,813,965
Total	1,546,796	43,593,165
Book value†		9,918,188
Work. cap.†		3,521,210
Brewers & Distillers of Vanc.—		
5,777,478 com.	2,888,739	22,243,290
Book value†		6,997,602
Work. cap.†		3,762,619

†Book value and working capital in each case as shown in last annual report.

Stock is Vulnerable

Trading was very heavy and though there was a sharp reaction from the high figure it was due to a false report that Distillers Corporation-Seagrams had been removed from trading privileges on the New York Curb. That sharp reaction did, however, indicate that at these high figures distillery stocks have become quite vulnerable. The possibility of inside interests shifting from common at these high figures to preferred with an equal voice in management cannot be overlooked.

Also the new plant of Walker's in the United States will have to demonstrate its earning possibilities in a period some years from now when its stocks will be sufficiently aged for the market The tremendous increase in racketeering activities in the United States suggests that that may become a very powerful factor again even if bootlegging stops unless forces of law and order win a signal victory which has yet to be gained. Then again it is almost certain that very high taxes, as in Canada, will be levied on the industry.

Much of the early market enthusiasm was justified by events but conservative traders have departed from the stock at the higher levels so far as one can learn. The brisk market started on the supposition that there would be a merger but prices as can be seen by the foregoing table do not now bear a relation to respective investments of the various companies.

Toronto, Kitchener Offices for New Brokerage Firm

A new brokerage firm, Seagram, Harris & Bricker, has been formed to operate on the Toronto Stock Exchange and Montreal Curb Market, with offices in Toronto and Kitchener, Ont. The partners are Edward F. Seagram, Waterloo, Goodwin R. Harris, Toronto, and W. R. Bricker, Kitchener. Philip F. Seagram is also associated with the new firm.

Mr. Seagram is president of Joseph E. Seagram & Sons, Ltd., distillers, this firm being an important cog in the Distillers Corp.-Seagrams Ltd. organization. He is also president of Waterloo Trust & Savings Co., Canada Barrels & Kegs, Ltd., Merchants Casualty Co., and vice-president of Dominion Life Assurance Co. He is also head of Frowde Ltd., a private Seagram investment organization.

Goodwin R. Harris was formerly a partner in McLeod, Young, Harris & Scott, members of the Toronto Stock Exchange. Prior to that he had been associated for some years with John Stark & Co. on the same exchange. Mr. Harris will undertake the handling of Toronto business and trading for the new firm, since he holds seats on both the Toronto Exchange and Montreal Curb.

W. R. Bricker was formerly manager of the Kitchener office of Johnston & Ward, stock and bond dealers. He will be in charge of the Kitchener office of the new partnership. He is a director of Waterloo Mutual Fire Insurance Co.

Dom. Motors Spike Rumor That Plant Will Close

Rumors which have been going around that Dominion Motors was going to close down its plant appear to be spiked by an advertising campaign which has just been started by the company, in which it is mentioned that a new Frontenac Six will be announced shortly.

That the market paid little heed to the rumor of closing down is evidenced by the fact that Dominion Motors stock has recently risen from 1 to 4¾.

Mr. Picobac At "The Chateau"

Mr. Picobac's beaming geniality, his intimate knowledge of men and affairs in Essex County, together with his credentials as the Burley Tobacco Ambassador from Sunny Southern Ontario, more than sufficed to win him a hearty welcome to the barber shop of The Chateau Laurier, Ottawa.

"Gentlemen," declared Mr. Picobac, addressing the ceiling from the luxurious angle of the barber's chair, "a great nation is worthy of a great tobacco, and Picobac tobacco—"

At this point the barber stepped on a lever and Mr. Picobac assumed a more upright position. Contemplating the reflection of himself and certain of the Capitol's political and professional luminaries in the mirror, Mr. Picobac continued earnestly:

"As I was about to say, gentlemen—"

"Next," interjected the barber at this point.

* * *

What Mr. Picobac was about to say was that Picobac, the pick of Canada's burley crop, gives Canada a mild ::: cool ::: sweet smoke. Mr. Picobac's next stop is in Montreal. Watch for his reports of conditions in the commercial metropolis. In the meantime try Picobac.

—and don't forget, you get more tobacco for your money.

Good for making cigarettes, too.

Handy pocket tin, 15¢
—also in ½ lb. Humidor Tins

"IT *DOES* TASTE GOOD IN A PIPE!"

Picobac

IMPERIAL TOBACCO COMPANY OF CANADA, LIMITED

Sutcliffe Company Ltd.
CONSULTING ENGINEERS
and
ONTARIO LAND SURVEYORS
New Liskeard, Ontario

Winnipeg's Newest Hotel
The Marlborough
In the Heart of the City
Fireproof Construction — European Plan
Rates in Keeping with the Times
220 Rooms

Any week-end this summer

$25

For a Week-end of
Golf-Tennis-Swimming
at the
MANOIR RICHELIEU
Murray Bay

Shelve worry for the week-end and come to Murray Bay on the basis of this new low *all-inclusive* rate.

Rate includes berth and meals on the boat; room with bath and meals at the Manoir Richelieu and full golfing, tennis and swimming pool privileges.

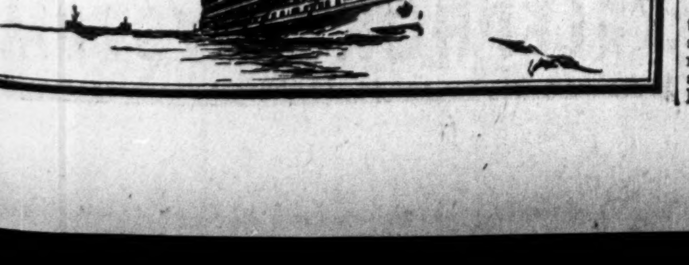
Or remain on the boat for the Saguenay Cruise at the same all-inclusive rate.

Steamers leave Victoria Pier Friday ... 6.30 p.m. (E.S.T.) Return to Montreal 7.00 a.m. (E.S.T.) Monday.

For full information, reservations, etc., apply to any tourist agent or to

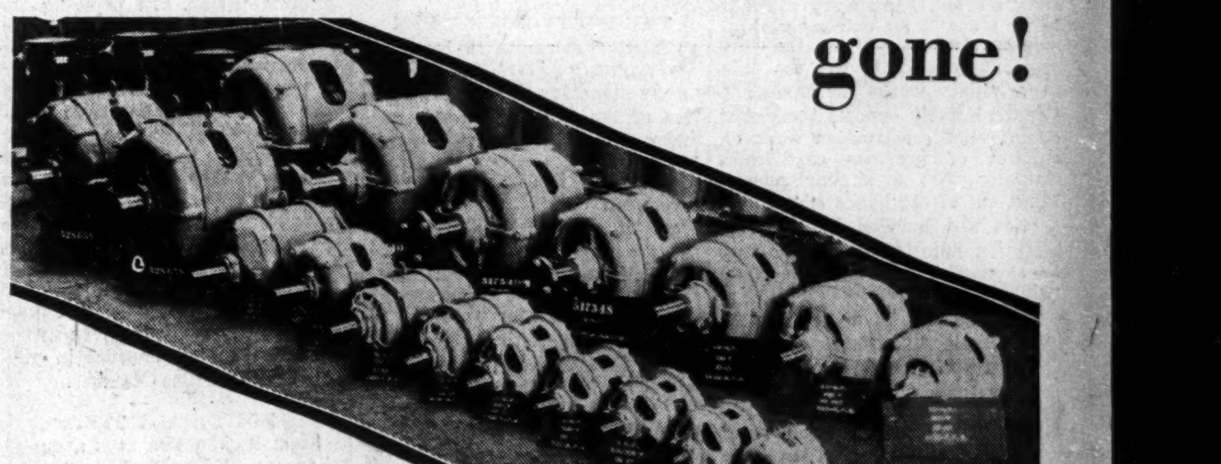
CANADA STEAMSHIP LINES

715 VICTORIA SQUARE MONTREAL



380 BAY STREET TORONTO

GOING . . . Going . . . gone!



A LIFETIME OPPORTUNITY

YOUR opportunity to buy good electrical equipment *at today's attractive prices* is rapidly going. Soon it will be gone.

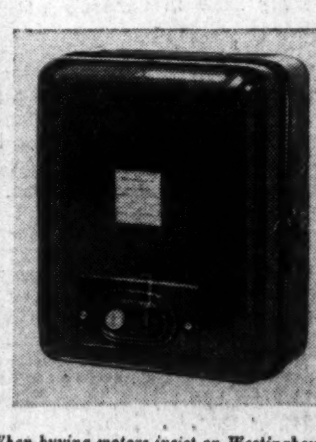
Westinghouse research has continued steadily during the past years. Thus, Westinghouse apparatus today offers you the very latest advances in the electrical field.

Re-equip now with Westinghouse motors and control, transformers, switchgear or whatever new equipment the economical running of your plant demands. Here are three outstanding services ready for your instant use:

1—A Westinghouse engineer will check the efficiency of your equipment;

2—The Westinghouse Service Department will re-condition your old equipment as well as it can be done;

3—A Westinghouse illuminating specialist will gladly advise on the proper lighting of your factory, on which depends the efficiency of your workers.



When buying motors insist on Westinghouse Control for lasting satisfaction.

Write to the nearest Westinghouse Branch Office.

CANADIAN WESTINGHOUSE COMPANY, LIMITED, HAMILTON, ONTARIO

Branch Offices: Vancouver, Calgary, Edmonton, Regina, Winnipeg, Fort William, Toronto, Montreal, Halifax. Service and Repair Shops: Vancouver, Calgary, Regina, Winnipeg, Toronto, Montreal

3124

Westinghouse Electric

THE FINANCIAL POST

Member Audit Bureau of Circulations
President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER
Editor—FLOYD S. CHALMERS
Business Manager—D. M. GOWDY

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. inspection.

ADVERTISING RATES

Single Insertion—$3.65 per inch.
Debenture and Dividend Notices—26c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE

Canada, United States, Mexico, British Empire, $5.00 per year; all other countries, $6.00.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
481 University Ave., Toronto 2

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor. GT. BRITAIN, London, The MacLean Co. of Great Britain, Ltd., 2, 3 and 4 Cockspur St., London, S.W. 1, E. J. Dodd, Director, Telegraphic address, Atabek, Lesquare, London.

THE FINANCIAL POST BUSINESS YEAR BOOK. Yearly, $2.

THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES. Yearly, $2.

THE FINANCIAL POST SURVEY OF MINES. Yearly, $2.

THE FINANCIAL POST RECORD OF PROSPECTUSES. Half yearly, $7 per volume.

THE FINANCIAL POST CORPORATION SERVICE. $20 monthly. Special prices for selected part service.

DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS. Yearly, $10.

TORONTO, JULY 22, 1933

PUBLIC WORKS

BRITAIN'S "thumbs down" stand on public works as an unemployment relief measure lessens the chance of Canada embarking on such a scheme.

Theoretically, t e idea of a public works programme to employ the large number of idle men, directly or indirectly connected with the construction industry, may be entirely sound, but experience in both Great Britain and Canada has been unfortunate in that comparatively few men have been employed for the amount of money spent.

In the United States, President Roosevelt started out on a construction programme from which all graft and overhead would be eliminated and to this end groomed for the job, a man of undoubted integrity. This man then proceeded to elect non-political state administrators of similar standing. So great was the furore created by this unheard-of departure from established political practice, however, that Mr. Roosevelt had to over-ride his original selection. U. S. newspapers say blandly of his successor "He has never been accused of overlooking any political bets."

In Canada, previous experience has shown that the grafters invariably take a large slice of the money appropriated for relief works and that politics have been too prominent. There is no guarantee that another scheme, administered in the same way, would not be subject to the same abuses.

The National Construction Council of Canada was formed primarily to collect data which would indicate the volume of construction work in Canada which ought to be started and to urge the Government to cooperate in getting this delayed work started. The survey which is being made is an extremely valuable one; whether or not the Government sees fit to use the data in a public works scheme. The Council bitterly opposes those who damn relief construction work on account of previous experience, claiming that a similar scheme taken out of the hands of political parties and handled by the construction industry would not only be successful but would build up valuable assets for Canada.

It would not be difficult to be sympathetic with the views of the Construction Council were it not for the feeling that many of the same contractors who benefitted so handsomely from previous relief measures would be more than likely to be associated with any district councils authorized to handle relief expenditure as proposed by the Construction Council.

As The Financial Post has pointed out in the past, however, the real answer to the question as to whether or not Canada should support a public works relief programme lies in the answer to the question as to whether or not the Government can afford it.

Economists are almost unanimously of the opinion that a public works scheme could only be efficacious in aiding the return of prosperity if it were entered into on a large scale. The burden of taxation under which the Canadian public staggers and the immense amount of Dominion, provincial and municipal debt which has piled up during the past three years seems to provide a logical answer to those who would further involve public finances by adding to them in this way.

DOUBLE BUDGETS

PUBLICATION recently of figures covering the financial position of the U. S. Federal Government in the year which ended on June 30, draws attention to a nasty fiscal habit of the depression era, namely the "double budget."

According to figures submitted by acting secretary of the treasury, Acheson, the U. S. deficit for the 12-month period was $1,786,000,000, a decrease of just over one billion dollars from the deficit of the previous year. However, Mr. Acheson was very frank with his citizenry and emphasized the fact that the public debt of the United States had increased during the year not by the figure mentioned above but by the sum of $3,052,000,000. The most significant reason for this was the fact that the Government, as an extraordinary measure of financial relief, advanced something over one and a quarter billion dollars to the Reconstruction Finance Corporation and also reduced sinking fund payments by almost half a billion dollars below what they should have been.

This leads the Wall Street Journal to remark that apparently the United States for the first time (in recent years at any rate) has quietly adopted the principle of the "extraordinary budget" long popular with many theorists of political economy. It says, in part:

"That means that henceforth we cannot speak accurately of 'the budget' without specifying which budget we mean. For the United States Government has been provided with an 'ordinary' and an 'extraordinary' budget; it is the former that Mr. Acheson refers to when he says, in effect, that the national budget came within $1,325,000,000 of balancing for the last fiscal year and a billion nearer balancing than the year before.

"If the Treasury is committed to the dubious expedient of running two budgets and of fastening public attention upon the deficit in only one of them, elementary prudence requires the fullest possible public notice of the profound change that has been made in the nation's accounting methods."

Of course, continues the Journal, progressive advocates of the new accounting practice will stoutly aver that there is no such thing as a deficit in budget No. 2 which consists of "investments for the long pull in the health, happiness and general welfare of all the people." Wisely though, that journal maintains that "some part of our welfare lies in knowing what we are doing, when we do it." It even wonders if next year with a $3,300,000,000 public works programme on the slate if the "advanced economists" who shape that country's national finances may not even favor the country with a three-budget system of keeping the nation's books.

Judged by his public utterances, President Roosevelt seems a man thoroughly alive to the necessity of keeping one set of national books and of keeping those books properly balanced. Thus he has gone to some lengths to provide for the rapid retirement of the public indebtedness necessary to carry out his public works recovery programme. In this respect he has definitely shown the way to Canada where "double budgets" have been the order of the day and no attempt has been made to formulate a clear-cut plan for the retirement of ordinary or extraordinary indebtedness piled up at such an alarming rate in recent years.

The return of some semblance of improved business in Canada serves to emphasize even more clearly the need for a sound budgetary and fiscal policy in this Dominion. For every type of business in this country is hampered by onerous taxation much of which could have been avoided if the so-called "uncontrollables" in our national budget had been tackled courageously at their source. Though improved business may relieve the Government from heavy deficits it will not remove the burden from the back of the taxpayer.

One of the most deceptive and vicious means of increasing this burden has been via the "double budget" road. Canada and United States should lose no time in eliminating this practice.

THE FORTY-HOUR WEEK

RECENT attempts to have the League of Nations take a strong stand for the general adoption of the forty-hour week, as a means of distributing employment and providing a larger number of people with jobs, have failed to accomplish their purposes. When it came to a practical discussion of the proposal many obstacles were found in the way. It was found exceedingly difficult to reconcile a standardized working week with all the various special conditions that attach themselves to different industries and that prevail in different countries. And labor organizations made it clear that they were not willing to share wages although they were willing to share hours.

They insisted that the worker who gave up part of his time to enable another worker to have a job, should continue to receive the same total weekly wage that he had been receiving. Thus the forty-hour week, which is an obvious first step in the direction of a thirty-hour week within the present generation, must await some recovery in world trade that will bring with it a normal increase in wages and permit adjustment to be made by both employers and workers.

But while the forty-hour week, as an international formula to aid in re-employment, is making practically no progress the movement for work-sharing is gaining substantially in many countries. In Great Britain an interesting experiment is being tried in some industries, notably in the Welsh coal mining trades. Various groups of workers who are now employed are giving up part of their time to other workers who are not now employed. The "dole" or unemployment insurance payments that are now being paid to the unemployed workers are being shared with the workers who are giving up part of their time. Obviously such a plan does not reduce the total burden on the insurance fund although it does tend to stabilize the payments made out of the fund. And in the ultimate analysis the moral and physical deterioration that the individual worker must suffer from continued total unemployment is mitigated in no small degree.

While the "experts" at the League of Nations and in government bureaux are discussing the forty-hour week it is coming into general use as such things always do come, by the gradual process of evolution.

GOLD REVALUATION'S VITAL PORTENT

POSSIBLE effects of revaluation of gold on world price levels in the next ten or t onty years seem hardly to have been realized. Revaluation would be equivalent to increasing the monetary stocks of the world enormously. In addition it would encourage production from what have heretofore been submarginal producers; those mines which have been unable to make a profit at the present statutory prices for the metal.

The world's stock of monetary gold is now estimated at about $13 billions, at $20.67 an ounce. If this were revalued by depreciation of one-third in money, it would mean an increase in statutory value of $6½ billions, to a total of $19½ billions. This would mean an increase in the stocks, by one stroke of legislative action, equivalent to nearly 14 years of world production at the record high rate of 1932. It would mean adding to gold stocks an amount about equal to the whole world's production from 1851 to 1900. Or it would mean about half the total production of the South African mines since their discovery in 1885. These mines furnish about half the world's annual gold production.

It has been accepted among economists that every great period of increased gold production, and every discovery of important new fields, tends to increase the world's credit structure and raise prices. This has happened frequently even under world-wide use of gold standard currencies. Thus, revaluation is likely to have direct and far-reaching effects on business, industry and finance in the present century, if it is attempted on a wide scale.

In Canada our dollar is already depreciated about one-third below the gold exchange value. Revaluation of gold at two-thirds of the present statutory price would, therefore, freeze the present quotation, when the gold standard is finally re-established. There appears to be only a moderate change in prices as a result of the present situation. But it will take years for the full effects of any revaluation to be felt.

Over a period of years, the effects of revaluation would be to bring concealed gains to some classes of the community, if the anticipated rise of Canadian and world prices occurs. Some will lose. Those who stand to profit most are owners of industries, real estate, commodities and equities of all kinds. Those who may suffer would include all holders of capital of fixed value, such as pensions, annuities, cash, and so on.

If something in the nature of revaluation does occur, it is not improbable that banking and credit systems may not prevent prices from rising. In the past they have not been able to do so. Far-sighted industrialists, financiers and business men will note events of this kind and will protect themselves against loss. Those who fail to read the handwriting on the wall may suffer accordingly.

SERVICE TO INDUSTRY

FIFTY years of service to the Canadian textile industry has been marked by the Canadian Textile Journal in the publication of a Jubilee Number setting forth in an interesting manner the great mechanical, scientific and economic changes that have taken place during this period. In bringing together this material, the Canadian Textile Journal presents in condensed form the informative service rendered to its readers year by year since publication was commenced in 1883.

An industry or trade often takes for granted the invaluable service rendered by its trade paper. But without it business would be severely handicapped. Canada is fortunate in having a number of first-rate trade publications and that they are appreciated is apparent from the support given to the Canadian Textile Journal in publishing its Jubilee Number.

EDITORIAL NOTES

Siam Invites You says a quaint picture post-card mailed at Vancouver and circulated throughout the Dominion. Our knowledge of Siamese is limited but we assume from the hieroglyphics that the little eastern kingdom is urging Canadians to attend the World's Grain Fair at Regina.

Here's something new in publicity. And it certainly serves to emphasize the world-wide nature of the big show in Canada's wheat lands.

Co-operation of central banks was removed from the agenda of the World Economic Conference. Perhaps it saved Canada the job of creating one in a hurry to get in style.

Sayings of the Week

We Nazis refuse to enter a church in which the Old Testament is still held to be a sacred book.—Pastor Kupsch.

• • •

"Working hours can be lowered and wages sustained, but you can't keep that up indefinitely."—Agnes Macphail, M.P.

• • •

The improved results reported by certain well-known industrials, such as Imperial Chemical Industries, Courtaulds, Coats, Lever Brothers, and Dunlop Rubber, make it possible to hope that we have moved on to the stage of industrial stagnation, which follows that of industrial collapse, when most trades are depressed, although some are slightly improved. —Sir George Touche, Bart.

• • •

"The outlook seems to be a little bit encouraging, but don't be too sanguine. We have a lot of hurdles to take, and I believe among them and foremost is the banking business. We have got to get rid of rotten banking, of dishonest banking, of speculative banking. We have to have our banking institutions of such a character that when a depositor puts his money in the bank he will feel that is assurance of some safety."—Adolf Ochs, Owner New York Times.

POST-scripts

WE MET "the major" at the corner of Bay and King Streets and he looked rather glum. Surely, we thought, he cannot be bemoaning his losses on the market—as we happened to know that he held a few Walkers and some rye futures.

"Why so glum this morning, major?" we hailed.

"Oh, I don't like the market," was the surprising reply.

We thought that this was curious but, as the major seldom lets anyone finish a sentence, we held our peace and waited for his dissertation.

"When a man travels around the country like I do," he continued, "he gets a good idea of how people are viewing the business world. Now, I've just made a trip through the western part of Ontario and everyone I met had a cheery word and was quick to say that things were looking better. Confidence has been restored, you understand. Why, the porter, the taxi-driver, the waiters on the trains, business men, everyone is feeling better."

"I'm just afraid," he ended, "that the stock market will boil over the top again and break down some of this confidence which has been built up."

As we left him we could not help feeling that he had spoken words of wisdom.

SOMEONE has started up again that old argument about the use of the word Americans to describe citizens of the United States. Two or three Canadian newspapers have taken the occasion to announce courageously that in their opinion Canadians are Canadians and the people of the United States are Americans and that they do not intend to satisfy some peculiar sense of pride or jealousy on the part of their readers by claiming that the title "American" belongs to anyone living on the North or South American continent.

It is a sensible view to take. After all, the term American has come in modern English usage to have but one major meaning—a citizen of the country to the south. It is a convenient term and if it did not exist it would be difficult to coin a more convenient one and get it generally accepted.

So Canadians seem to think that the Americans showed consummate nerve in appropriating the word "American" to describe themselves. But they did not do it. From time immemorial the people of Great Britain have called the United States America and its citizens Americans. Europeans seldom refer to the United States but to America. The words America and American have no official recognition in the United States as describing that country or its people. But the world at large has recognized the terms as having a peculiar merit for the purpose they serve. It is foolish for a handful of Canadians to protest. In the first place their protest is not sound; in the second place it won't get them anywhere.

There is also the fact to be considered that the full name of "United States of America" led inevitably to the last word being used as base for the word "Americans" just as last word of "Dominion of Canada" was used as formation for word "Canadians." Once established in world usage objectors could bark up a tree forever without changing it.

Other Peoples' Views

Alberta's Finances

Edmonton Journal—When are we going to be told the results of Alberta's last fiscal year? It closed at the end of March and the information should be available by this time. In 1929 when there was a large surplus to announce, the statement was given to the public in May. The surplus was smaller next year and we did not hear about it till July. In 1931 a deficit of over $2,000,000 was announced in October and in 1932 the news of one of over $5,000,000 was broken at the end of November.

The practice thus followed is altogether indefensible. Only harm can be done by varying the time of the announcement according to its nature. The people of the province should be taken into the confidence of the government at the earliest possible moment. The cash receipts and payments for the first nine months of the fiscal year indicated that it would show a large improvement over its predecessor. If this hope has been disappointed, it is extremely desirable that the facts be known so that adjustments may be made accordingly. The administration's task must be made more difficult through any illusion on the part of the public that the province's position is better than it is in actuality.

All this is so indisputable and the protests made last year were so well justified that it is impossible to believe that there will be much further delay in issuing the statement.

British Columbia Gold

Vancouver Province.—A broadcast from the department of mines the other evening suggested that British Columbia is on her way back, in gold production, to the peak years of her mining industry. What were the peak years of the gold-mining industry in this province?

There is a tendency in these days to look back to the Fraser and Cariboo gold rush of the late fifties and early sixties as a time of unusual excitement and marvellous output. Undoubtedly the excitement of the gold rush days was great, and when one considers how small was the population of British Columbia at the time the output was great. But British Columbia has, in many comparatively recent years, produced a great deal more gold than was produced in any of the gold rush years. The province's placer output has never, however, approached the output of the sixties.

The greatest placer mining year in the province, the records show, was 1863, when the output was $3,913,563. Other excellent years were 1864, with an output of $3,735,850; 1865 with $3,491,205, and 1868 with $3,372,872. Never since 1868 have the placer mines of British Columbia yielded $3,000,000 in gold, and only once—in 1875—have they passed the $2,000,000 mark.

The lode mines of British Columbia have, in their much shorter history, produced about twice as much gold as the placer mines. Their peak year was 1913, when the output was $5,627,490. Other notable years were 1908, with an output of $5,282,880; 1910, with $5,533,380; 1912 with $5,322,422; 1914 with $5,109,004; 1915 with $5,167,934, and 1924 with $5,130,535.

Taking placer gold and lode gold together, British Columbia's peak year was 1913, when the total gold output was $6,137,490. Next in line came 1910 with $6,073,380; 1902 with $5,961,409, and 1908 with $5,929,880.

Coal Outlook Brightened

Calgary Herald.—Even casual observers at the thirteenth annual convention of the Western Canada Fuel Association, recently held in this city, are struck with the air of confidence that pervades the coal industry. It is the consensus of opinion among the delegates that the new railway rate on Alberta Coal to Ontario will bring large orders to this province and that in a year or two Alberta coal will be selling in large quantities in the eastern province.

The new rate of $5.50 a ton will permit retailing of Alberta coal in Ontario at about $11 per ton, a figure low enough to provide real competition for Pennsylvania anthracite. Ever since the inauguration of the movement to place Alberta and Nova Scotia coal in Ontario and Quebec to compete against United States coal, the foreign operators have endeavored to head it off by reducing their prices. They have enjoyed a stranglehold on these valuable Canadian markets for many years and do not intend to forego their advantage without the keenest of struggles. However, in view of President Roosevelt's campaign to boost the prices of commodities and raise the level of wages in the United States, it is not likely that further lowering of wages in American mines will be tolerated. The opportunity looks bright, therefore, for Canadian mines to capture a much larger share of the central coal markets.

During the last boom year of 1929, Ontario coal consumers alone sent nearly one hundred million dollars out of the country to pay for United States coal. If this huge sum could be kept in Canada it would mean greatly increased activity in Alberta and Nova Scotia mines as well as employment for thousands of railway men.

P. G. E.'s First Operating Profit

Edmonton Journal.—The P. G. E. railway looked to be about the most hopeless enterprise in Canada, if it were not to be extended to the Peace River country. But it will show an operating profit during the first six months of the year, this being the first time that one has been recorded in its history for such a period. A year ago there were substantial deficits each month. The fixed charges, of course, are such that the railway remains a heavy drag upon the provincial treasury. The marked improvement it has shown, however, encourages the belief that it will before long cease to be the white elephant that it has proved to be from the first. A much better chance should at least be afforded of selling the property, which the government has been seeking to do for a long while.

Possibly the various failures to come to terms with prospective buyers may in the end turn out to have been an advantage to the province. The mining activity in the Bridge River and Cariboo countries has been responsible for the sharp rise in earnings and with all the mineral wealth that there is reason to believe exists in the interior of British Columbia, the construction of the line may yet be justified. The change in its prospects has been given little attention elsewhere in the Dominion. Other developments of this nature are taking place in different parts of the country, the cumulative effect of which is only beginning to become apparent.

British Calculations Indicate £ too High

Recent Advance Thought Excessive by Canadian Authorities — Natural Level Can't be Established Until Prices Smoothed

London opinion is convinced that the pound sterling is over-valued and the American dollar undervalued on exchange markets. Canadian exchange experts appear to feel that our dollar is too high. As evidence of this, New York banks are holding minimum balances of sterling, The Financial Post is informed. Moreover sales of sterling securities by Canadian investors, and reported purchases of Canadian dollars by English investing institutions is further affirmation of the opinion.

Prices in the United States are calculated to have risen less than the dollar has declined. Moreover the United States is a great creditor nation which should strengthen the currency ultimately, economists believe.

These and other reasons for the British view of the over-valuation of sterling are discussed in a recent article in The Economist, London. The article, which has aroused considerable interest in London, suggests levels of from $3.60 to $4 as "natural" for sterling in New York. There might be some upward revision of these figures, however, if the latest price changes could be calculated.

The calculations of the British journal differ, but not seriously, from those of Professor Gilbert E. Jackson, of The Bank of Nova Scotia and the University of Toronto, whose estimate of "natural" parities recently appeared in The Financial Post. Mr. Jackson's estimate was around $3.90 for sterling in New York and about 86c. for the Canadian dollar.

The Economist bases its calculations on the assumption that sterling was ten per cent overvalued in 1929. If the recent rise in prices in the United States is taken into consideration, it appears likely that the estimates might be raised. For instance, allowance for over-valuation of sterling from 1925 to 1929 might be altered. This would be an offset to the rise in American prices since The Economist article was written.

Importance of Calculations

Despite the failure to develop definite stabilization at the London Economic Conference, leading British and American economists are agreed that it must come sooner or later. When stabilization is undertaken, they agree that it is important to peg currencies near the final point of stabilization. It is also accepted that only "natural" levels can be maintained for a long period. Therefore, these pencil and paper calculations are of prime importance. If they are disregarded, say economists, another later period of disequilibrium of currencies would probably result, to the economic detriment of world business.

The theme of the economists who are making estimates of natural currency levels is that it is dangerous to peg units arbitrarily. They do not necessarily approve the current exchange rates as safe levels. As instances of errors in stabilization in the past, they cite the cases of the pound sterling and the franc. The pound was restored to $4.8665 in 1925 and the franc was revalued at 3.9179 cents in 1928. Both were erroneous parities, which caused world-wide disaster, say the monetary theorists.

Seek Starting Point

What is sought is a starting point for stabilization. The economists have a simple way of stating what should determine it. "The money which will buy most should be worth most," they say. In this there is general agreement among them. If one pound will purchase five times as much in goods and services as a dollar, then sterling should be set at $5, according to this reasoning.

The differences of opinion enter the scene when it comes to deciding what one or another currency unit will purchase. This can be measured in various ways, with diverse results. There is not necessarily any difference in viewpoint between The Economist and Professor Jackson. In fact, they appear to be in close agreement on some points, and do not arrive at radically different estimates.

Economist's Conclusion

Says The Economist:

"Our conclusion is that the temporary stabilization rate should be in the neighborhood of $3.60, and that any rate above $3.80 would involve the risk of a serious overvaluation of the pound and undervaluation of the dollar. The rate of $4 should be regarded as an absolute maximum, which could not, indeed, be justified unless prices as a whole in America continue to rise more than in this country (Great Britain)."

Professor Jackson's estimate of natural levels is higher. His study for The Bank of Nova Scotia says:

"As a result of some study in this office, it is suggested that perhaps the 'natural' level of sterling in New York is about $3.90, or in any case some figure between $3.75 and $4.05."

Since both estimates were made independently, but from similar statistics, by a Canadian and a British authority, working far apart, it is striking that there is no small degree of similarity in the conclusions.

Simple Basis for Estimates

To get back to the calculations. The general basis is simple. But The Economist adds some complications. Mr. Jackson makes his study from comparison of price levels in Great Britain and the United States. According to his figures, prices in Great Britain are such that a pound would buy about 3.9 times what a dollar could. Hence his suggested "natural" level of $3.90 to the pound.

The Economist does not agree entirely with a comparison of prices alone. It feels that price indices are inclined to include too many commodities which are dealt with in international trade. The result, it is claimed, is that price indices may merely reflect the prevailing exchange rate, rather than indicate a natural level. For this reason, it calculates on the basis of wages and cost of living in the two countries. It also uses price comparisons, but chiefly as a check on the other figures.

Economist's Figures

When the results are obtained from comparisons of prices, wages and cost of living, The Economist gets these parities: Prices, $4; wages, $3.77 and $4; cost of living, $4.17. It also gets $4.27 for another price comparison, but states this is based on statistics which are not comparable.

After obtaining these estimates, a deduction of ten per cent is made from each. The reason for this is to allow for over-valuation of the pound in 1929, one of the years on which the comparisons are based. Of this, The Economist says: "It is now a commonplace that the pound sterling was overvalued throughout the whole period 1925-29." It assumes that this overvaluation amounted to ten per cent.

Revised Estimates

The resultant parities, after this deduction, are: prices, $3.84 and $3.60; wages, $3.39 and $3.60; cost of living, $3.75. From these the journal draws the conclusion that $3.60 should be the temporary stabilization level.

Unfortunately, there is no estimate made of a "natural" level for the Canadian dollar. Professor Jackson placed it at about 86 cents, or between 84 and 88 cents in New York. Other students are fairly generally agreed that it should be about midway between the pound sterling and United States dollar. The reason is that most of our commercial and financial relations are divided between these two great currencies. Roughly this would indicate a New York level, based on The Economist's sterling-dollar reckoning, nearly the same as that of Mr. Jackson.

Effect of Recent Events

It should be noted that both Mr. Jackson's and The Economist's calculations are based on figures which may have been altered by recent events. The rise of prices, wages and costs of living in the United States may have been sufficient to raise the calculated "natural" level of sterling. But this cannot be verified at present. The Economist says allowance for this factor would no more than eliminate its ten per cent deduction, at most.

It is now generally agreed that no estimate of natural levels can be very accurate in view of the wide changes which are taking place in national and international price levels. But it is worth while to examine the reasons for opinion that the pound is too high.

The Midland Bank of Great Britain has recently emphasized the importance of stabilization being undertaken ultimately on a basis which will agree with internal purchasing powers of currencies. It says:

"It is . . . of the utmost importance that if and when devaluation takes place it shall result in new fixed exchange rates accurately representing relative internal purchasing powers. In order to be sure that this is so there must be some degree of stability in internal purchasing powers of different currencies. To fix new exchange rates while at least one major currency is being subjected to deliberate internal depreciation would be dangerous in the extreme. To do so piece-meal, without waiting for general agreement, would be equally full of risks. Hence the impossibility of securing final stability of exchange rates until the future internal value of the dollar has become far more calculable than it is today."

Diversified Investments

Diversification is a necessity for institutions and for individuals. The experience of this organization is at the disposal of investors in any part of Canada.

Address our nearest office.

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Vancouver Victoria New York London, Eng.

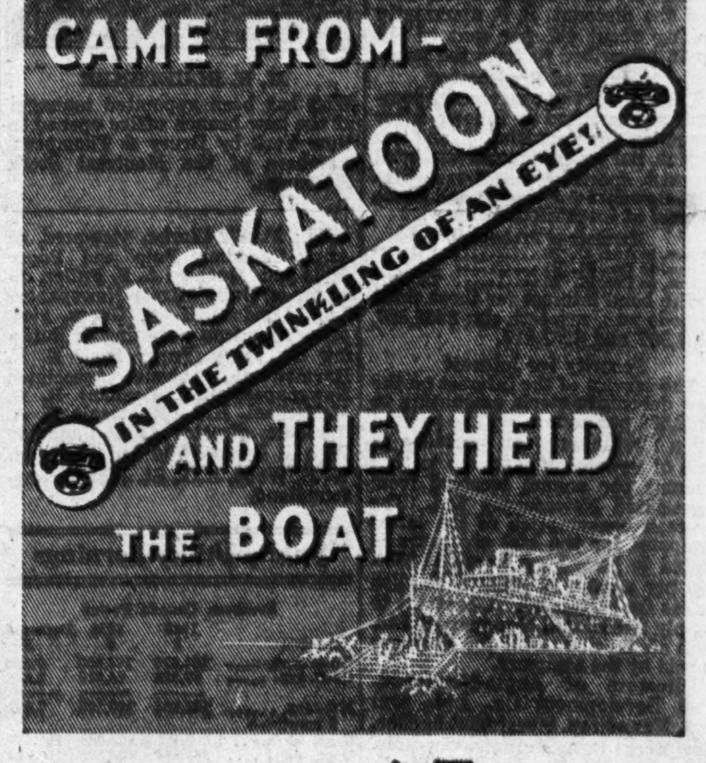
Retrospect and Prospect

An interesting Quarterly Review

In our Quarterly Review we publish an illuminating survey of industrial conditions for the first half of 1933. There is also a concise article on the early future outlook for Canadian Government, Municipal and Corporation Bonds.

Write for a copy. We shall be pleased to send it to you with our compliments.

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Montreal Ottawa London Hamilton



John's friends had invited him to join them on a special cruise to Manitoulin Island and Georgian Bay. He had declined because of business. Later he found he could go. The nearest port was Fort William. He could make it from Saskatoon, but he would arrive long past sailing time. Naturally he turned to the telephone. In a few seconds he spoke to Fort William—explained the situation. The boat was held up and John made the cruise.

The telephone is the swiftest, most direct and intimate means of reaching from anywhere to anywhere in Canada. Use the direct coast-to-coast network of The Trans-Canada Telephone System, not only for emergencies, but for all social and business communications. Speedy connections, conversations clear and distinct, and moderate rates make telephoning over any distance as convenient, simple and satisfactory as on local calls.

Between

VICTORIA
and Montreal - - $8.50
" Saint John - 9.50
" Halifax - - - 10.25

VANCOUVER
and Calgary - - - $2.60
" Ottawa - - - 8.00
" Saint John - 9.50

CALGARY
and Hamilton - $6.25
" Saint John - 8.00
" Montreal - 7.00

EDMONTON
and Winnipeg - $3.00
" Toronto - - 6.25
" Halifax - - - 8.50

REGINA
and Victoria - - $3.50
" Toronto - - 4.75
" Montreal - - 5.50

WINNIPEG
and Vancouver - $4.50
" Sydney - - 6.25
" Halifax - - - 6.25

TORONTO
and Vancouver - $7.75
" Saint John - 2.55
" Halifax - - - 3.30

MONTREAL
and Vancouver - $8.25
" Edmonton - 6.75
" Halifax - - 2.40

SAINT JOHN
and Edmonton - $7.75
" Winnipeg - 5.50
" Quebec - - 1.30

HALIFAX
and Vancouver $10.00
" Calgary - - 8.75
" Ottawa - - 2.80

● NOTE: The above rates are for Station-to-Station Day Messages.

Alberta Government Telephones
Bell Telephone Company of Canada
British Columbia Telephone Co.
Manitoba Telephone System
Maritime Telegraph & Telephone Co.
New Brunswick Telephone Co.
Saskatchewan Government Telephones

THE TRANS-CANADA TELEPHONE SYSTEM

THE TRANS-CANADA TELEPHONE SYSTEM

The Week in Business

Impressive Evidence of General Improvement

MAKING the best gain recorded since the early months of 1929, The Financial Post business index for June has succeeded in wiping out the losses of the past year and giving definite evidence that the apparent improvement in business can be translated into statistics. That much of the gain is attributable to elimination of seasonal declines and not to record levels of activity does not detract from the achievement, increases in the face of usual summer slackness being rather more impressive than otherwise.

* * *

Loadings Maintain Higher Level Than 1932

DESPITE a slight recession in the seasonally corrected index of car loadings there are two cheering features of the report for the week ended July 8. First of all, the total for the week is 3.5 per cent higher than the total for the same week a year ago, maintaining the improvement over 1932 recorded in the previous week. Secondly, loadings of merchandise, L.C.L., and miscellaneous freight, while still slightly below the 1932 figures, show a good improvement over the levels of the previous week, the seasonally corrected index for merchandise, L.C.L., loadings increasing from 72.33 to 74.13.

Compared with two weeks ago—as the immediately prior week contained a holiday—loadings in the week ended July 8 were 642 cars greater despite a decrease in grain loadings of 1,483 cars. This increase of over 2,100 cars is accounted for by good gains in coal, pulp and paper, lumber, merchandise and miscellaneous freight loadings. Almost all the increases occurred in the eastern division, merchandise and coal loadings being particularly strong in this area.

* * *

Business Better in New Brunswick

REPORTS from all parts of the province of increased employment and improved business have resulted in the Saint John, N.B., Evening Times-Globe restarting its monthly report on business activities in New Brunswick. While it is admitted that there is little desire to either publish or read reports which indicate reduced employment and curtailment of production, they are nevertheless valuable to business men interested in the area surveyed. In welcoming the return of the New Brunswick business survey conducted by the Saint John Evening Times-Globe, it might be pointed out that in order to obtain a general picture of business, the low as well as the high spots must be considered.

In the first week in July, industrial plants all over New Brunswick reported increased activity, this being particularly marked in the pulp and paper and lumber industries. In Saint John alone, three major construction projects were announced which will employ about 500 men for a number of months. The business outlook for Saint John is summarized by the Evening Times-Globe as follows:

"Merchants have every justification for their present optimistic feeling. Summer and fall promise unusual activity, resulting from increased buying power of citizens. In addition to port activities and drydock plant work, a wood products plant has been organized, and is giving considerable employment. The local pulp mill is running full time. Local box factories are busy. A new veneer factory is in operation. Two large breweries are running to capacity. The local sugar refinery is running normally. A movement to develop business for the port is under way by a group of citizens. More industries are to establish here and a start is to be made on an important development within a few days."

Business Briefs

Failures under the Bankruptcy Act for the week ended July 8 numbered 22 as compared with 28 in the corresponding week a year ago. For the year to July 8 failures have numbered 929, a decrease of 163, or 15 per cent, from the same period of 1932.

Car Loadings in the week ended July 8 numbered 40,469, a large increase from the previous week which contained a holiday. After adjustment for the holiday and seasonal variation, however, the index declined somewhat from 64.96 to 64.18.

A. J. Shaw, formerly assistant general sales manager of the Chrysler-Plymouth division of Chrysler Motor Corp. has been promoted to general sales manager of Dodge-DeSoto to succeed Russel Paige, who has joined Dodge Bros. Corp. in Detroit, Mich.

Government, Municipal and Corporation Bonds

List of current offerings furnished on request

Royal Securities Corporation
Limited

244 St. James Street MONTREAL
330 Bay Street TORONTO 2

Business Conditions in Canada

TOURIST TRAFFIC IS DISAPPOINTING OFF 25 PER CENT

Only N. B. Ports Expect 1933 Volume to Equal 1932

Tourist traffic in Canada this year has been rather disappointing, returns from entry ports indicate. In every case traffic is lower than it was during the same period a year ago although Maritime points report increased traffic in the first two weeks of June. Taken as a whole, the returns would appear to indicate that the number of tourist automobiles entering Canada this year to date are about 25 per cent less than in the same period of 1932.

Number of 60-day permits issued by New Brunswick ports to the end of May were considerably fewer than in the same period of 1932, St. Stephens reporting 1,343 compared with 1,510 and St. Leonard 371 compared with 598. Weather conditions are blamed for a part of these reductions. Customs collectors at both points report the outlook for the balance of the summer as bright.

Quebec Traffic Lower

Rock Island and Philipsburg, the two chief Quebec ports of entry report reductions of 27.4 and 25.7 per cent respectively in the number of 60-day touring permits issued this year to June 15 compared with the same period a year ago. The falling off in the number of touring automobiles has occurred chiefly in the latter part of the season, the totals for the early part being reported as about the same as a year ago.

Niagara Falls and Windsor report a considerable reduction in the number of United States tourists applying for 60-day permits but the 24-hour permits are only slightly below a year ago. It is interesting to note that the only increase in permits issued is for Canadian automobiles outward at Niagara Falls.

Automobile tourist traffic through Emerson, Man., shows a slight falling off this year compared with 1932, 60-day permits to the number of 5,011 being issued during the 5 months ended May 30 compared with 6,477 a year ago. Canadian cars outward are down from 3,171 to 2,458 in the same periods.

The four chief entry ports in British Columbia, Aldergrove, Douglas, Huntingdon and Pacific Highway all report slight declines in automobile tourist traffic this year and also fewer Canadian automobiles reporting outward.

B. C. Apple Crop Will Be Large Quality Good

Initial estimate at July 1 of British Columbia's apple crop for 1933 is 4,000,000 boxes as compared with the banner yield of 5,000,000 boxes in 1932, according to a statement made by R. G. L. Clarke, chief of the Dominion fruit inspectors in B. C.

Although a smaller crop is expected, the grade will generally be considerably better, Mr. Clarke stated. Weather experienced during June, when the spraying was done, was ideal for that purpose, and the quantity of fancy and extra grades is sure to be high.

Producers are looking for an excellent market in Great Britain and current reports from that area are favorable. The recent jump in the value of sterling in terms of Canadian dollars means much better returns even if the price levels of 1932 prevail. The Prairies market was disappointing for strawberries and some apprehension is felt over the prospects of selling apples in that area.

A falling off of considerable proportions is predicted in cherries which are estimated at 153,500 crates this year, as compared with 186,550 boxes marketed a year ago. Plums and prunes have also slipped from 300,000 in 1932 to an expected 212,000 crates this year. On the other hand pears are up from 133,464 in 1932 to about 155,000 crates in 1933.

Good Headway Made In Prosperity March

The Financial Post Business Index for June is 7.8 Points Above May Figure and at Highest Level Since April, 1932 — Gains Are General

By SYDNEY B. SMITH

Reconstructive forces leading to business recovery were specially predominant in June, preliminary statistics confirming that rapid strides were definitely taken toward economic prosperity. While the duration of the movement may be a matter of debate, Canadian statistics attest to the widespread and fundamental character of the progress achieved during the second quarter. Stock and commodity exchanges reflect the altered psychology, but the resumption of industrial activity is a more accurate measure of the unmistakable return of more prosperous conditions.

The gain in Canadian commodity prices during June was remarkably moderate compared with the rapid advance in other economic factors. The increase in the official index was limited to seven-tenths of one point, and as the standing was 67.6 a more rapid rise is indicated for future months or a long period will elapse before the level of 1926 is reached. The lumber and timber group made a spectacular gain from 65.8 in May to 72.0 in June. The wood and paper group consequently recorded a sharper advance than any of the other major groups of the official classification.

Genuine Recovery

In the realm of business operations, a brilliant showing was made attesting to the genuine nature of the recovery. Out of the 24 factors available at time of compilation, seventeen showed increases in June over the preceding month, due allowance being made for seasonal tendencies. The net result was that The Financial Post business index in the preliminary form moved up from 73.5 in May to 81.3 in June.

While the receipt of final information may modify this striking increase to a certain extent, the index based on quantitative information presently available indicates the transformation coming over the social economy of Canada. The recovery may be hastened by the influence of the American inflationary scheme, but there is evidence to support the theory that readjustment measures had begun even last year to make themselves effective in bringing about a turning point.

The export of copper showed a gain after seasonal adjustment, the total of ore and blister being 3,964,000 pounds. Nickel shipments were at a high level, exports being 10,503,000 pounds in June compared with 8,580,400 in May. Exports of zinc in ore and spelter form were 16,819,900 pounds compared with 14,166,400, but the gain was less than normal for the season. Exports of silver in ore and bullion were 1,110,148 ounces compared with 845,130 in May. More than 12,000 tons of asbestos of better grades were exported, the adjusted gain being about 4 per cent.

The flour milling industry was more active in the latest month for which statistics are available, the output of wheat flour being at a higher level. Gains were also shown in rolled oats and corn flour, while a decline was recorded in oatmeal production. The output of manufactured sugar in the four-week period ended June 17 was 89,254,000 pounds compared with 41,167,000 in the preceding period. The comparison was also favorable with the same period of 1932 when 73,722,000 pounds were produced.

Cheese was actively exported in June, the external movement being 4,098,400 pounds compared with 1,400,300 in the preceding month, the gain after seasonal adjustment being 3.5 p.c. The export of canned salmon was 6,179,600 pounds compared with 4,081,600, the adjusted gain being 38 per cent.

A marked gain has been shown in the production of tires during recent months, the adjusted increase in the latest month for which statistics are available being nearly 16 per cent.

The export of lumber was speeded up in June, the movement to external markets being 94,700,000 feet compared with 75,694,000, the adjusted gain over May being about 4 per cent. The gain in woodpulp exports was less than normal for the season while the export of shingles showed a decline, the movement of the latter being 201,238 squares compared with 216,684.

Steel mills were more active, the adjusted gain in the output of steel ingots and castings being no less than 33 per cent. Upon the blowing in of two blast furnaces toward the last of June, a small tonnage of pig iron was produced. The decline in the output of motor cars was moderately greater than normal for the season.

The output of coke in the latest month for which statistics are available showed an adjusted gain of about 8 per cent.

Construction made a considerably better showing in June than in May but still remains at a low level. Contract awards were $8,086,200 compared with $6,540,000, the gain after seasonal adjustment being more than 24 per cent. The gain in building permits also indicates a brighter outlook for the industry. The certainty of higher prices for building materials acts as an incentive toward the hastening of new business.

The greater activity in the freight movement is a matter of elation from several viewpoints. Carloadings in June were 175,954 compared with 161,401 in May, the adjusted gain being more than 6 per cent.

An increase was shown in imports contrary to seasonal tendencies. The values were in excess of $33,600,000 compared with $32,927,000 in May when a considerable gain was also recorded. The gain in exports was less than normal for the season, the total in June being $46,472,000 compared with $46,108,700. The normal gain in June over the preceding month is about 2 per cent. Consequently in this case a slight decline would be shown after seasonal adjustment.

Commodity Prices

	Week ending July 15	Previous week	Same week last yr.
Cattle (cwt.)‡ ...	$5.25	$5.50	$6.50
Copper, lb.	.09	.09	.05¼
Cotton, lb.	.1140	.1025	.0590
Rubber, lb.	.0980	.0762	.0281
Sugar, raw, lb. ..	.0365	.0355	.0315
Silk, lb.	2.37½	2.47½	1.22½
Wheat (Man.) bu.*	.98½	.83¾	.53¼
Hides, lb.	.14	.13	.05
Coffee, lb.	.07¾	.07¼	.08

Weekly Indices

N. Y. Annalist‡	103.9	100.0	93.2
Fishers'	♦68.8	66.6	†59.6
N. Y. Journal of Comm.■	70.4	67.4	58.1
Crumps (Brit.)*	64.2	64.0	†59.0
U. S. Labor▲ ...	66.3	65.1	64.4

†Average, June, 1932. ‡Week to July 11. *Week to July 9. ▲July 1. ♦July 9. §July 13. *July 17. ■July 15

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.) (June)	67.6	66.9	66.4
Retail (June)	77.7	77.6	81.0
U. S. Labor (May)	62.7	60.4	64.4
Gt. Brit. (May) ..	66.9	65.6	67.9

‡Basis of price quotations is as follows: cattle — steers, good, over 1,050 lbs., top price, Toronto; copper—electrolytic, New York; silk — Japanese, 13-15, New York; sugar—96 degree centrifugal c/f New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

BANKRUPTCY ACT FAILURES FEWER

But Dun & Bradstreet Report More Actual Failures — Debts Lower

Failures under the Bankruptcy and Winding Up Acts in the first three months of this year were somewhat fewer than in the corresponding period of 1932 but the estimated total of liabilities was slightly larger than in that period. There were 622 failures with liabilities of $11,377,803 as against 667 failures with liabilities of $11,108,423 in the three months ended March 31, 1932.

Reduction in the number of failures is chiefly due to reduction in the three Prairie Provinces, the number of failures in Prince Edward Island, Nova Scotia and Quebec being slightly higher. Failures in Quebec numbered 255 with liabilities of $4,933,761 and in Ontario 231 with liabilities of $4,044,283. The totals for the other provinces are comparatively small.

Failures and liabilities by provinces are as follows:

Failures Under Bankruptcy Act Three Months Ended March

	No. 1933	No. 1932	Liabilities 1933
P. E. I.	5	3	$ 22,415
N. S.	19	15	280,887
N. B.	15	22	89,179
Que.	255	252	4,933,761
Ont.	231	238	4,044,283
Man.	27	27	723,682
Sask.	19	30	248,943
Alta.	30	48	586,886
B. C.	21	32	447,767
	622	667	$11,377,803

	No.	Liabilities
Canada, 1933, 3 mos.	622	$11,377,803
1932, 3 mos.	667	11,108,423
1931, 3 mos.	606	11,944,578
1926, 3 mos.	464	6,936,058

Failures according to Dun & Bradstreet, Inc., however, are considerably greater in number over the same period. Records of the mercantile agency show that there were 836 failures during the first quarter of 1933 and liabilities of $12,297,336 as compared with 747 failures and liabilities of $12,642,652 in the corresponding period of 1932.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	1932	Cumulative Jan. 1 to date 1933	1932
Transportation—				
Car loadings (July 8)	40,469	39,053	941,334	1,115,899
C. P. R. gross earn. (July 14)	$ 2,276,000	$ 2,160,000	$ 58,474,000	$ 60,205,000
C. N. R. gross earn. (July 14)	$ 3,047,782	$ 2,933,086	$ 69,011,084	$ 80,092,308
	Monthly			
C. P. R. net earn. (May)	$ 975,809	$ 737,364	$ 2,811,753	$ 3,673,263
C. N. R. net earn. (May) ..	$ 193,206	$ 481,030	$ ‡3,964,877	$ ‡115,545
Iron and Steel—				
Pig iron, tons (May)	nil	13,339	35,353	69,038
Steel, tons (May)	23,126	29,239	98,862	162,370
Automobiles prod., No. (May)	9,396	8,221	30,939	32,557
Auto Vehicles—				
Passenger, sales, No. (May)	6,693	7,106	19,717	21,336
Trucks & buses, sales, No. (May)	846	1,038	2,224	3,699
Auto exports, No. (May) ..	2,729	374	6,415	2,317
Construction—				
Building permits (May) ...	$ 2,002,309	$ 5,488,845	$ 6,570,341	$ 19,312,718
Contracts (June)	$ 8,086,200	$ 12,154,700	$ 32,912,300	$ 74,761,200
Newsprint—				
Production, tons (June)	171,419	161,368	894,181	1,004,248
Exports, tons, (June)	152,151	155,895	807,237	933,446
Sugar—				
Imports, raw, lbs. (May)	81,229,600	98,571,500	173,296,700	268,251,800
Melt. & ship., lbs.*	93,413,740	75,005,015	279,278,651	282,554,851
Manufactured, lbs.*	89,254,010	73,721,634	279,958,566	000,000,000
Flour—				
Production, bbls. (May)	1,324,101	1,040,693	5,056,380	4,781,163
Wheat flour exp., bbls. (June)	544,507	570,861	2,564,662	2,372,216
Other Industrial Indices—				
Lumbering: Plank & board exports, mill ft. (June) ...	94.70	110.68	342.48	407.98
Boots and shoes, pr. (May) ..	1,754,564	1,656,088	6,858,245	7,570,393
Petroleum, imp. crude, gal. (May)	83,981,157	109,518,026	142,145,778	337,029,615
Cotton, imp., raw, lbs. (May)	8,111,000	12,463,000	33,326,000	45,617,000
Rubber, raw, imp. lbs. (May)	3,817,398	3,170,767	12,850,876	20,322,659
Coal, imports, tons (May) ..	936,596	1,089,887	2,807,781	3,482,136
Gasoline sales (Apr.)	30,711,000	35,358,000	107,576,000	114,498,000
Trade—				
Imports (June)	$ 33,612,541	$ 40,748,106	$ 242,047,511	$ 359,898,594
Exports (June)	$ 45,967,773	$ 40,852,100	$ 223,062,711	$ 291,655,503
Wheat exports, bus., (June) .	16,998,672	15,857,427	83,368,577	68,205,072
Labor—				
Employment Index (June)...	80.7	89.1	......	......
Electric Power—Output—				
M. Kilowatt hours (May) ..	1,348,807	1,273,519	6,711,140	6,747,850
Finance—				
Failures, No. (May)	192	208	622	667
Failures, Liabilities (May) ..	$ 3,380,672	$ 3,399,052	$ 11,377,803	$ 11,108,423
Bank debits† (May)	$ 2,649,626	$ 2,175,184	$ 10,212,854	$ 10,334,208
Bond sales (June)	$ 90,253,692	$ 20,759,081	$ 128,830,417	$ 161,665,121
Insurance sales (May)	$ 30,497,000	$ 30,998,000	$ 145,720,000	$ 177,570,000
Automobile Financing—				
Used cars (May)	$ 1,633,742	$ 1,763,926	$ 4,670,341	$ 5,754,555
New cars (May)	$ 1,459,727	$ 2,023,586	$ 4,433,923	$ 6,031,731

*Four weeks period, May 27 to June 17. †(000's omitted). ‡Deficit.

DIESEL ENGINES

4 h.p. to 4,000 h.p.

For all industrial purposes, including mills, mines, pumps and woodworking plants as well as fishing boats, tugs, freight, passenger and pleasure boats.

Canadian SKF Company Limited
Montreal Toronto Winnipeg Vancouver

DB COMPANY LIMITED

STEEL STRUCTURES
PLATE & TANK WORK
CAISSONS, BARGES
RAILWAY & HIGHWAY BRIDGES
SWING & BASCULE SPANS
COAL & ORE BRIDGES

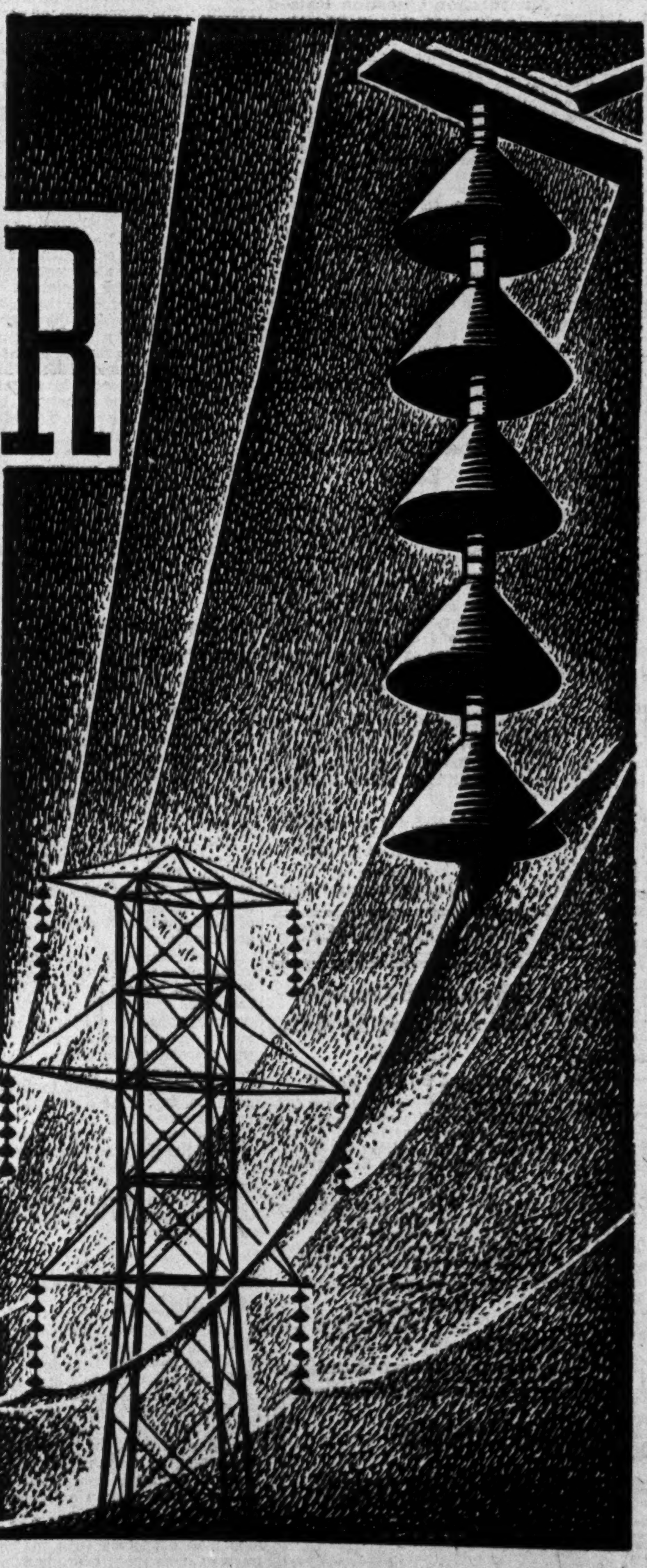
Hydraulic Regulating Gates and Operating Machinery
Liftlocks, Turntables, Electric and Hand Power Cranes
Gear Cutting, General Machine Work, Forgings

DOMINION BRIDGE COMPANY
LIMITED
HEAD OFFICE · LACHINE (MONTREAL) QUE.
BRANCH OFFICES AND WORKS:
MONTREAL OTTAWA WINNIPEG VANCOUVER
AMHERST TORONTO CALGARY
AGENCIES: EDMONTON REGINA

A VITAL FACTOR IN THE ECONOMIC LIFE OF CANADA

INTERNATIONAL NICKEL

POWER



Power and more power . . . for the mines at Copper Cliff to operate the hoists, locomotives, drills and conveyors; for the mills, smelters and separation plants; for the electrolytic refinery at Port Colborne.

International Nickel pays hundreds of thousands of dollars each year to Canadian power companies, in addition to the electric power developed by the Company itself. The use of this power gives employment to many Canadians and makes possible the use of modern electrical equipment which shoulders most of the drudgery of heavy work in the mines.

Thus Canada's water powers are harnessed to co-operate in the production of Nickel and Monel Metal which, when sold throughout the world, bring new money to Canada and assist in the maintenance of a favorable balance of trade.

The greater use of Nickel and Monel Metal in Canada and throughout the world means a greater measure of prosperity for Canada. Use these metals wherever you can.

INCO MONEL METAL
THE INTERNATIONAL NICKEL COMPANY OF CANADA LIMITED
INCO NICKEL

1883 [The 50th Anniversary of Canada's Nickel Industry is being celebrated this year.] 1933

"The Story of Nickel", an interesting booklet dealing with the history and development of Nickel, may be had without charge by writing to the Company at 25 King Street West, Toronto

CLASSIFIED ADVERTISEMENTS

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Capital Wanted

ADDITIONAL WORKING CAPITAL required by old established concern manufacturing well-known line of iron and steel products. Full investigation invited and ample security guaranteed. Active interest in business can be arranged for investing parties, if so desired. Box 142, The Financial Post, Toronto, Ont.

Sales Executive Wanted

Long established firm has an opening in Ontario for an aggressive man having qualities which will make him available as Branch Manager within short time.

Products largely consumed by construction industry and require promotion with architects and sales to wholesalers, dealers and large contractors.

Permanent position with bright future for the right man. State in first reply age, education and your experience, in what capacity.

Write Box 87,
THE FINANCIAL POST
1070 Bleury St., Montreal.

Money Making Ideas

IT IS A POOR BUSINESS newspaper that cannot give you one suggestion, one idea or inspiration of some sort from the recent experience of someone who has made a success of the idea.

Any idea ought to make you in the first year enough profit at least to pay the annual subscription. Succeeding years will be "velvet."

Are your executives reading their papers carefully?

Is your own secretary checking these papers for your information, drawing your attention to new ideas in the reading columns, and new suggestions in the advertising columns?

Several men at the head of the biggest industries of their kind in Canada today are doing this now.

Are you doing your part by using your personal influence to promote the corrective and constructive policies advocated by the papers edited especially in your interests?

DIVIDEND NOTICES

The Shawinigan Water and Power Company

Notice is hereby given that a dividend of thirteen (13c) cents per share has been declared on the no par value common shares of the Company for the quarter ended June 30th, payable August 15th, to shareholders of record July 24th, 1933.

By Order of the Board,
JAMES WILSON,
Secretary.
Montreal, July 18, 1933.

Dominion Bridge Company, Limited

DIVIDEND NOTICE

A Dividend of FIFTY CENTS (50c) per Share has been declared on the No Par Value Shares of this Company for the Quarter ending 31st July, 1933, payable 15th August, 1933, to Shareholders of record at the close of business on the 31st July, 1933; and a Dividend of FIFTY CENTS (50c) per Share for the Quarter ending 31st October, 1933, payable 15th November, 1933, to Shareholders of record at the close of business on the 31st October, 1933.

By Order of the Board,
F. W. EVENS,
Secretary.
Montreal, Que., 18th July, 1933.

McIntyre Porcupine Mines, Limited

(No Personal Liability)
DIVIDEND No. 59

Notice is hereby given that a dividend of five per cent (5%), plus an extra dividend of two and one-half per cent (2½%), plus a bonus of two and one-half per cent (2½%) on the Company's Capital Stock, will be paid in New York funds on Sept. 1, 1933, to shareholders of record at the close of business on Aug. 1, 1933, free of any tax payable at the source under the Canadian Income War Tax Act.

By order of the Board.
BALMER NEILLY,
Treasurer.
Dated at Toronto, July 13, 1933.

Auctioneers and Valuators

Ward-Price,
LIMITED
Valuators
Over 40 years practical experience in valuations of household and personal effects for probate and insurance purposes.
Auctioneers
W. WARD-PRICE,
Auctioneer
111 King Street West Toronto
Phone EL. 2754

Service for Investors

INDIVIDUAL investors may secure a special service on specific companies in which they are interested. Service includes detailed analyses and all newscards and revisions published on those companies during the year. Send in your list of companies. Rate—$12 a year for any 10 companies. Additional companies pro rata. Or write The Financial Post Corporation Service, 210 Dundas Street West, Toronto, for further particulars.

Office Furniture for Sale

LARGE FLAT-TOP WALNUT office desk with heavy plate glass top. Also chair and telephone stand to match. Originally $240.00. Make an offer. Telephone Adel. 4252. Local 23. Toronto.

Office Furniture

BOARD ROOM TABLE — MAHOGANY, 4 ft. by 10 ft., $200; cost $400. Good as new. Box 130, The Financial Post, Toronto.

Jurisdiction Question Raised At Tariff Board Meeting

Three applications for alterations in Customs rulings were before the Tariff Board in its first hearing on July 13. Settlement of one application which dealt with the question of special duties was held over owing to there being some doubt as to whether the Tariff Board, by inheriting the work of the Board of Customs, had authority to deal with questions concerning special or dumping duties.

Application of a firm of Montreal importers for exclusion of dumping duties from cigarette lighters was declined. Two other applications, one from Nerlich & Co., Toronto, for abandonment of dumping duties against celluloid dolls and the other from the Bickle Fire Engine Co., of Woodstock, for transfer of English trucks for aerial ladders from the free list to a duty of 22½ per cent, were held over.

NOTICES

The Ontario Municipal Board

Notice is hereby given that the Board of Trustees of The Roman Catholic Separate Schools for the City of Windsor has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an Order of The Ontario Municipal Board bearing date the 23rd day of June, 1933, and from and after the first publication of this notice in the Ontario Gazette all actions or proceedings against the said Board are stayed and thereafter no action or other proceeding against the said Board shall be commenced or continued nor shall a levy be made under a Writ of Execution against it without leave of The Ontario Municipal Board.

Dated this 23rd day of June, A.D., 1933.

H. C. SMALL,
Secretary of
The Ontario Municipal Board.

DIVIDEND NOTICES

The Guelph Carpet & Worsted Spinning Mills Limited

Preferred Dividend No. 17

Notice is hereby given that a dividend of One and Five-eighths per cent (1⅝%), being at the rate of Six and One-half per cent (6½%) per annum, has been declared upon the outstanding 6½% Cumulative Convertible Preferred Shares of The Guelph Carpet and Worsted Spinning Mills Limited, for the three months ended July 31st, 1933, payable August 1st, 1933, to shareholders of record at the close of business July 20th, 1933.

By order of the Board,
B. F. GRIGGS,
Secretary-Treasurer.
Guelph, Ont., July 20th, 1933.

Your Questions Answered Without Charge

As a subscriber to The Financial Post you are entitled to ask questions regarding any investment that you are interested in.

Address your enquiry to The Investment Department when sending in your subscription.

USE THIS COUPON

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please send me The Financial Post for the next year (52 issues). I enclose $5.00.

Name ....

Occupation ....

Address 810

Footnotes to Ottawa

An occasional department of comment on the background of governmental activities in the nation's capital

By Our Ottawa Correspondent.

Radio Shake-up Considered Certain

WITH the taking over of station CKGW at Toronto on a long term lease and the reorganization of the staff, the National Radio Commission has entered upon a new and perhaps a final phase of activity.

After the controversy which the commission's estimates provoked in the House of Commons last session; after the blunt statement of Premier R. B. Bennett that, throughout the opposition's attacks, he had heard nothing that he might not have uttered himself had he been sitting to the left of Mr. Speaker (this, perhaps, the most searing criticism of all), it was commonly agreed that the days of the commission in its present form were numbered. It is regarded as certain that the parliamentary investigation promised for 1934 will undoubtedly bring a shake-up of the commission both with regard to its functions and its personnel.

It is a matter of continual surprise and, in Government circles, of alarm, that the commission, faced with this hazardous future, has proceeded to provoke further ill-will and more controversy. Indeed, it is common gossip at Ottawa that the commission is now quite out of hand; that instead of shaping policies to ride out the storm of next year, the commissioners, or a majority of them, are "making hay while the sun shines."

* * *

Ottawa Surprised by CKGW Deal

THIS new phase of activity begins with the leasing of the Toronto station and continues throughout one of the most inexplicable reorganizations of staff on record. The acquisition of station CKGW under lease not only caused surprise at Toronto. It astounded many politicians at Ottawa. Announcement of the decision did not issue until after parliament had prorogued—a fact not lacking in significance—and complete information probably will not be made public until next year.

There appear to be two reasons for supposing that the deal was not a good one for the commission. First, CKGW is understood to have been an unprofitable station recently. Second, its equipment is not the best available at Toronto, and is said to be becoming obsolete.

The financial terms of the lease, it is understood, require the commission to pay only a nominal rental. The advantage to the owners of the station is that the commission hereafter will shoulder the losses while paying rent to the owners. There were several stations at Toronto or in the vicinity which the commission could have taken, and it is conceded that the commission did require a Toronto broadcasting medium, but it is felt by many that the main reason why CKGW was selected probably was that in doing so one of the bitterest opponents of public ownership of radio would be silenced.

* * *

Divided Authority Weakens Commission

WITH regard to the reorganization of staff, the commission is showing the strongest evidence of divided authority. Ottawa has it that the three commissioners themselves are not pulling in unison. The result is that the commission's policy has been weakened by lack of cohesion and duplication of staff jobs.

Hector Charlesworth, chairman is said to have been subjected to political pressure in the course of his work. These are some of the things, undoubtedly, that members of parliament will desire to know about next year.

As originally formed, the commission was to be in charge of radio policy and was to delegate the actual work of administration to subordinate officials. Of these the secretary, the director of programmes and the officers in charge of public relations are the most important. The secretaryship went to Lt.-Col René Landry. The directorship of programmes went to E. A. Weir who had operated the radio department of the National Railways very successfully. The public relations post went to E. C. Buchanan, prominent Ottawa correspondent and twice president of the parliamentary press gallery.

* * *

Needless Duplication of Radio Jobs

WHAT follows indicates that relations on the commission have been anything but happy. Mr. Weir, apparently, could not duplicate his previous success. Shortly after his appointment, Mr. Weir's jurisdiction was divided. A French-Canadian director of programmes was appointed in the person of J. A. Dupont, formerly associated with the La Presse station at Montreal. Thereafter, Mr. Weir has steadily been demoted—although he is the only man connected with the commission who has ever had any success in the radio field, who has ever had any experience in the entertainment end of broadcasting. He was first demoted to the English-speaking secretaryship and finally was made a subordinate of Mr. Buchanan.

And Mr. Buchanan has suffered also. His jurisdiction was divided as recently as June 22, when Leo Houle, formerly of the Montreal Conservative newspaper La Patrie, was named public relations official for Quebec.

In addition to these changes in the upper strata of commission appointees there is said to have been considerable expansion of the ranks of minor employees.

There is, in all this, needless duplications of jobs, needless expense. But the commission has definitely adopted the policy of dividing authority, and increasing its staff.

* * *

National Radio Now Discredited

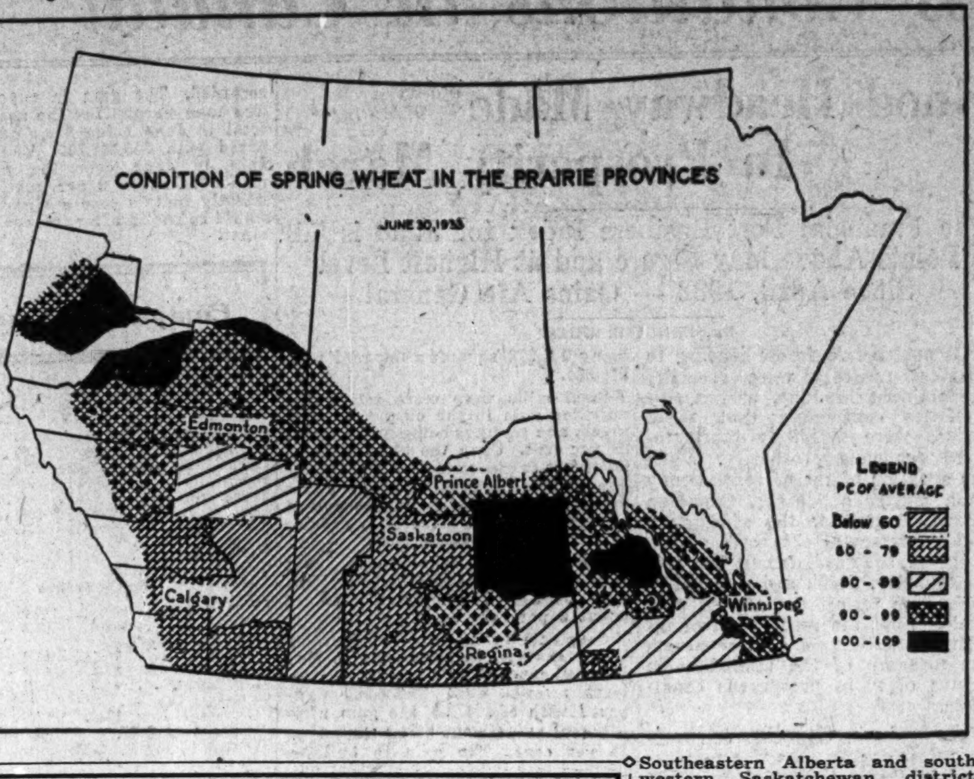
BUT of much significance is the fact that while these demotions and divisions of authority have been in progress, the commission has found the bilingual question a particularly difficult one to handle.

Under private ownership and operation little was heard of this question because it was handled in the best general interests of the various communities.

By and large the radio policy formulated by parliament in 1932 of which the present commission is the result, has become discredited and the future of radio broadcasting in Canada will not be clear until a new start has been made.

Many observers believe the Government may take action this autumn. Others believe, and they are probably correct, that action will be delayed until the regular session of parliament opens in 1934. The one sure thing is that the commission has utterly failed to win the approval of the general public and, in its present form, cannot survive. A "new deal" in radio may be forthcoming.

Buying Power Will Be Highest at Black Spots



Southeastern Alberta and southwestern Saskatchewan, districts which usually have excellent wheat yields, are the chief sufferers this year, according to the above map showing crop conditions at June 30, compiled by the Dominion Bureau of Statistics.

Acreage Cut Proposal Receives Little Support

Press Comments Generally Attack Forced Reduction Idea as Uneconomic — London Times Sees Merit in Idea—Western Papers Bitter

Few favorable editorial comments can be found in the press of the world as far as the acreage cut proposal is concerned, while Western Canada newspapers of various political leanings are unanimous in denouncing it. Some support is accorded the proposal in the London, Eng., Times which attacks the argument that because supply and demand has always been the moving force in any price movement it will always remain so. The Times suggests that with greater knowledge and better methods now at human disposal it is not impossible to imagine a system of international control.

All western editors favor allowing the situation to run its course while the Times of Argentina points to the lack of a problem in that country because no interference has ever been forced on the farmer.

Comments of some of the editors are as follows:

BROOMHALL'S YEAR BOOK

"If it is true that acreage must come down, then the only alternative to reduction by agreement is reduction by economic pressure. Prices will continue to fall until the less efficient growers are either forced off the farms or are producing only sufficient for their subsistence. Possibly the solution of the problem may have to be sought along these lines. Suffering and distress will be inevitable, but it is better for the patient to endure the pain and recover quickly than to be drugged for years by subsidies, extended credits, debt moratoriums, and all the hundred and one devices that make it possible to produce an article for which there is no demand.

"If governments had not given an artificial value to wheat, thus encouraging rather than discouraging its production, the plight of agriculture in many surplus lands would not be nearly so serious, nor the end of the depression so apparently remote. In Argentina where matters have been left to adjust themselves, wheat growing today is a paying proposition, albeit a poor one. Land rentals, labor rates, etc., have come down to a reasonable relationship with the selling price of the farmers' produce. Cannot other countries follow such an excellent example?"

TIMES OF ARGENTINA

"Governmental intervention in the world law of supply and demand is invariably iniquitous and disastrous. Trade must right itself without outside pushes. When the Argentine or Australian or Chinese producer comes to the conclusion that there is no profit in working at a given task he gives up working. That is what brings about the fluctuating prices. Directly he gives up working, of course, the price of his work rises and he is re-attracted to it. If he is forced to work or not to work because a government official considers that he should be thus controlled, the eventual state of affairs is anarchy."

LONDON TIMES

"Since the time of Joseph the world has always suffered from wide fluctuations of production and price, but that is no reason why it should continue to do so. Greater knowledge and better methods are now at human disposal, and it is not impossible to imagine a system of international control which, while leaving each country to determine production for its own consumption, would regulate the disposal of surpluses in a way which would prevent the forcing of excessive quantities on an unwilling market and thus secure the maintenance of a relatively stable price."

CALGARY HERALD

"Sooner or later the wheat problem will iron itself out without any aid from the acreage restrictionists. Canada's best line of action should be to mind her own business, keep the costs of wheat production down for her farmers as much as possible, and leave alone all international plans for artificial acreage reduction."

WINNIPEG TRIBUNE

"If the premiers of the three prairie provinces are pressing their ideas on Mr. Bennett, the latter could hardly be blamed if he takes the plan seriously. And yet Mr. Bennett should know enough about western conditions to know that, even if it were desirable for Canada to adopt a scheme agreed upon by exporting countries to reduce acreage, it is far beyond the power of any government in Canada to make it effective."

EDMONTON JOURNAL

"How a reduction scheme could be made effective in Canada has never been satisfactorily explained. It is to be attempted in the United States under the new farm bill but conditions there and in this country are very different. Much the greater part of the wheat grown across the border is required for home consumption and all of it may be during the coming crop year. The problem is to prevent the export price from demoralizing the domestic and to that end a curtailment plan is to be tried, the carrying out of which may mean the taxing of consumers on a large scale. It is freely admitted that nothing of the kind is at all feasible in Canada."

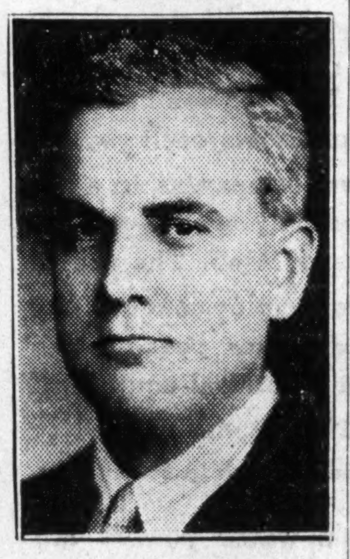
REGINA LEADER-POST

"It is highly probable that the authorities are merely wasting their time and energy in working on schemes for cutting and controlling the acreage over thousands of square miles of wheat producing lands. As a matter of fact, wind, weather and prices are the great factors governing world wheat production."

WINNIPEG FREE PRESS

"Cutting acreage in western Canada will be a forced retreat. It will be an admission that the stupid policies which have destroyed world trade have also forced prairie farmers out of the craft they know best and can most efficiently practise on prairie soil. It would amount to quitting, throwing up the sponge. It would be half-way to a decision to let these plains go back to the burdocks and the buffalo."

Joins Life Board



A. C. MATTHEWS

Who was recently elected a director of Confederation Life Association. Mr. Matthews is also a director of Dominion Bank and Toronto General Trusts Corp. and president and managing director of Canada Malting Co.

Uphold Salmon Quality

People who buy British Columbia salmon obtain a product that has been subjected to expert inspection before being placed on the market. Not a single can of British Columbia salmon is allowed to go on sale until it has been inspected by Dominion Government experts appointed specially for this work.

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Steel of Can.	‡6%	1940	Aug. 1	...
Calgary Brewing .	§5%	1942	Nov. 1	105

Purchase of bonds for sinking fund: ‡$370,056; §$10,900.

Bond Tenders

Noon, Aug. 1, Port Arthur—$51,900, 5½ per cent 30-yr. installment; $86,115, 5½ per cent 15-installment for local improvement; $215,275, 5½ per cent 15-yr. sinking fund bonds.

2 p.m., July 20, Carleton County—$27,036, 5 per cent 10 year serial bonds. H. R. Washington, town clerk, Ottawa.

CONTINUE SURVEY OF NEWFOUNDLAND

Royal Commission Will Again Meet in September

Announcement that the Royal Commission making an economic survey of Newfoundland would continue its work in September was contained in the speech from the Throne delivered by Governor Sir David Murray Anderson, at the prorogation of the Newfoundland Legislature on July 7.

More than 70 acts were passed during the session of the legislature, which opened on Apr. 7. One of the last measures to go through ratified an agreement whereby Continental Distilleries will be permitted to manufacture alcoholic liquors by a secret process said to mature liquor quickly.

The company claims it can put matured liquors on the market in a short time at greatly reduced prices.

Probably the most important measure of the session was an act to regulate the quality and exports of salt codfish. It is believed this will open new markets abroad for Newfoundland fish and assure better returns for the fishermen.

Other outstanding legislation granted lands and rights in Labrador, amended the War Pensions Act, established a Department of Labor and separated the Department of Marine and Fisheries from the Department of Agriculture and Mines, and ratified the agreements negotiated at the Imperial Economic Conference at Ottawa last summer.

Operate Pilchard Plants

Eight pilchard plants are operating this season on the British Columbia coast, one on Nootka Sound, three on Esperanza Inlet and four on Barkley Sound.

Black & Armstrong
Real Estate, Valuations, Rentals, Farm Lands, Mortgages and Insurance
200 Toronto General Trusts Bldg.,
Winnipeg, Manitoba

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

WHEN REMITTING
SEND
CANADIAN NATIONAL EXPRESS
MONEY ORDERS

Rubber Belting new, guaranteed quality, 6" 4 ply at 18 cents per foot, 5" 4 ply at 15 cents per foot, 4" 4 ply at 12 cents per foot. Write for prices on endless Thresher Belts.
New Rubber Guaranteed Kant Kink Garden Hose ½ inch at 5 cents per foot.
N. SMITH BELTING WORKS
138 York St., Toronto

Established in 1880
By the late J. P. Langley, F.C.A.
J. P. LANGLEY & CO.
C. P. ROBERTS, C.A.
Chartered Accountants
G. S. HOLMESTED
Licensed Trustee
in Bankruptcy.
Liquidator, Receiver, Etc.
Offices
McKINNON BUILDING
Elgin 5305-6 TORONTO

Investors Chronicle
6d. Established 1860 6d.
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain
OVERSEAS FINANCE
Special Correspondents in all Financial Centres
A free specimen copy will be forwarded on post-card application to:—
THE PUBLISHER,
INVESTORS' CHRONICLE,
20, BISHOPSGATE,
LONDON, E.C. 2, ENG.

R. H. Harrison will erect a cannery at Courtenay, B.C. The first unit of the building will be started this summer and the machinery installed in the fall, ready for operation in March.

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG MANITOBA

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
TORONTO OTTAWA WINDSOR
CLARKSON, McDONALD, CURRIE & COMPANY
MONTREAL and QUEBEC
Chartered Accountants
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 WELLINGTON STREET WEST TORONTO

Manufacturers of High-Grade
Knitted Underwear Hosiery and Outerwear
Mills at: Paris, Brantford, London, Waterford, Ontario; Coaticook and St. Hyacinthe, Quebec.
PENMANS LIMITED
General Offices: Paris, Ontario
Penmans

Dominion Motors Limited

(Formerly Durant Motors of Canada Limited)

MAKES IMPORTANT CONTRIBUTION TO CANADIAN INDUSTRY

Mainly in TORONTO and ONTARIO

Over a period of eleven years Dominion Motors Limited—

1—has disbursed upwards of $46,000,000.00 in wages, purchase of materials, etc., giving employment varying from 400 to 926 men in its own plant, and contributing to the employment of some 37,000 wage-earners in other factories.

2—has given a practical demonstration of its Canadian sentiment, not only by encouraging the establishment of Canadian factories, for the manufacture of parts, but by purchasing its requirements as largely as possible from 144 Canadian sources, 76 of which are in Toronto, 64 in 34 cities and towns in Ontario and 4 in Quebec.

3—has built and sold **more than one hundred thousand** automobiles and commercial vehicles. Its dealer organization, extending from Halifax, N.S., to Victoria, B.C., affords employment for several thousand Canadians.

4—has occupied **third position in sales** in Toronto during four consecutive years and from **fifth to third place in total car sales** for Ontario in the same period — a striking illustration of public confidence and goodwill in Canada's most competitive car market.

Dominion Motors Limited — embracing in its line of fine passenger cars the most recent and revolutionary advance in automobile engineering, namely the Reo Automatic Gear Shift —

will shortly announce a new Six "Frontenac" of such superior design and performance as to command the attention of every Canadian motorist!

Dominion Motors Limited — Toronto (Leaside), Canada

REO FRONTENAC DURANT RUGBY

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Gov't Over Borrowing Should Be Discouraged

Investment Banker and Investor Alike Should Use Influence to Prevent Mistakes of Past Being Repeated — More Information Should be Given With Bond Issues

Address of R. W. Gouinlock, Vice-president and Chairman Central District, at annual meeting of I. B. A.

There is a growing feeling among investors, particularly the larger ones such as insurance and trust companies, that more complete figures should be given when offering bonds for sale. The Investment Bankers' Association of Canada at the present time has a standard form which I feel should be used by all members, both in obtaining statistics and in making offerings; also that we should co-operate to the fullest degree in urging provincial governments to have all the municipalities make every effort to meet their maturing obligations and, if necessary, introduce legislation so that this may be effected.

For instance, many of the borrowers do not get their tax bills out until June and accordingly practically no taxes are payable in the first six months of the year. The last payment becomes due, I believe, in December and it is obvious that if these municipalities were obliged to get their tax bills out in the spring the taxes could best be obtained from the people in the summer months, rather than in the fall or winter when living expenses are no doubt higher.

Method of Handling Securities

During the year a good deal of discussion has taken place regarding whether or not the investment business should be handled by means of a bond exchange, and bonds sold on commission similar to the method used in England. This would be a very radical change from the present method and it was considered too large for the executive to deal with. Accordingly some 15 or 20 members of our association held meetings to discuss the matter in an informal way with a view to deciding whether or not it would be advisable to form a bond exchange to conduct the business along the lines followed in the Old Country on a fixed commission basis.

The advantage of this would be that the investor would at all times be aware of the current market prices on all standard issues and accordingly would be assured of securing the actual current market. Against this, from a broker's standpoint, the question arises that in the Old Country capital is seeking investment whereas in Canada the situation is reversed. It is questionable whether an investment business along these lines could be successfully conducted in Canada owing to the extended area of the country and the limited number of securities as compared to the London market.

Competition From Banks

The question of the banks in the bond business has from time to time been much discussed. There is a general feeling among the members of this association that the banks should not be in the bond business.

There are two phases to the banks' activities in selling securities. One is from the competitive side of selling securities, many brokers feeling that an unfair advantage is taken of the investment banker. The second point is that of underwriting. From this standpoint I would point out that in many cases the bank first of all makes a loan to the borrower and then is called in consultation to advise them regarding the sale of their securities, and in many cases they are bidding on the securities they are advising on. The question arises is it possible for them to serve two masters?

The United States Senate Commission has been recently carrying on an investigation of the banks which were most active in the sale of securities, either directly or through their subsidiaries. It is quite apparent that the United States Government intends to force the withdrawal of all banks and their affiliates from underwriting securities.

No doubt the Dominion Government, when revising the Bank Act next year, will give serious consideration to this subject, as while the Canadian banks have not underwritten and sold to their clients industrial and utility securities to the same extent as the commercial banks in the United States, nevertheless, a number of our banks have been actively engaged in the distribution of these securities.

Balanced Budgets

During the year our provincial committee discussed the curtailment of expenditures and wrote letters to various provincial officials urging the necessity of balanced budgets. It is gratifying to see the effort toward a balanced budget that the western provinces have been making. I feel confident if they are able to balance their budgets it will improve their credit to a point where they will be able to borrow at much more attractive rates than they have in the past year or two. If we are to make new issues of provincial and municipal obligations in United States and England again at favorable prices the borrowers will have to have their budgets balanced.

The most extravagant piece of legislation we have today is our social legislation of various types, such as schools, old age pensions, etc. I believe we have had far too much of this type of legislation. In nearly all cases where the Government offers to give a municipality a certain sum of money provided they, themselves, spend a similar amount, it has caused the municipality to spend a much larger sum than is necessary because of the fact that the Government is providing, possibly, the major portion of the money, and in order to see their municipality benefit by the act the officials go ahead and spend more money than they properly should.

The borrower may have been able to meet many of these expenditures in times of prosperity but today with the reduced price of commodities and decreased salaries, and therefore decreased revenue, he finds maintaining these services contracted in years gone by a heavy burden. To meet these payments the borrower has had to increase taxation to a point where it becomes oppressive and there is much duplication of taxation between the dominion, provinces and municipalities. For instance, in some municipalities the citizens pay three income taxes.

I believe that the municipal corporation or government should endeavor to balance their budget rather by curtailing expenditures than endeavoring to increase taxation further. It is easy for a politician to spend money that the people want to spend but at the present time what the country requires is someone who can give the people what they should have and can pay for, and then show them why it is best for them.

National Borrowing

Every effort should be made to have the governments of this country, in making a loan, consult the investment banking fraternity who are closely in touch with the demand for bonds and the volume of supply, and can be of great assistance to the borrower.

In England there is a non-political body called "Public Loans Board" which operates under the Minister of Health, which approves of all public loans before they are issued. This board, by keeping closely in touch with the requirements of the country, is able to issue bonds at the most advantageous time and also to keep a close check on the borrower's finances.

The formation of a board of this nature is, I think, worthy of consideration by the Dominion Government.

Bond Market

During 1931 and 1932, you will remember, our market was in a very hazardous position. There was a grave doubt in the minds of many investors regarding the ability of Canada to meet its obligations in the United States owing to exchange conditions, and the ability of our Western provinces, owing to the low price of the principal commodity of the West, to carry through and meet their obligations. Many thought they would not be able to pay in the currency in which they were drawn — others suggested they might not be met at all. With the English market closed to us and the American market unreceptive, doubt existed as to whether we would be able to finance ourselves at home.

However, by the co-operation of all interests and curtailment of borrowing, Canada has been able to come through and meet all her obligations with no major defaults, having at the present time only a few serious situations.

The most outstanding is that of Calgary which has taken the stand that they will not pay their obligations in United States currency. This attitude is undoubtedly most ill-advised and will have a most adverse effect on future financing by the city. The City of Windsor and adjacent municipalities reached an acute situation due to real inability to pay, over-borrowing and unemployment. This situation is now being handled by a commission appointed by the Ontario Railway and Municipal Board.

When we consider the difficulties now encountered by many of the large cities and municipalities in the United States and the number of defaults which have occurred in that country, we cannot help but feel that the securities of our own country are of the best. However, we must continue to urge the curtailment of borrowing to keep this financial situation intact.

Interest rates are lower due to better conditions in the world money markets and the improved position of commodity prices such as on our own wheat. Government bonds have increased in price, especially those of the Western provinces, and confidence appears to be in process of being restored in many of our securities. I think it may now be safely said that conditions have definitely turned for the better and except for some minor setbacks we will see a period of prosperity again in the near future.

Avoid Repetition of Mistakes

As this prosperity comes we should be careful not to make the same mistakes that have been made by all of us in the past by encouraging over-borrowing by Governments and municipalities, and the over-issuance of capital stock by corporations which would make the burden of paying interest or dividends impossible in times of depression.

A year ago there was considerable criticism being hurled at practically every investment house by investors who had encountered losses by the purchase of securities which had depreciated in value and in many cases passed their interest or dividends. As confidence becomes restored and prosperity returns we hear less and less of these complaints and many of the investors today have begun to realize as time goes on and heals their wounds, that the fault was probably as much theirs, and probably more so, than that of the investment house, on account of the desire of the public to speculate to such an extent that the investment banker's judgment was affected to the point where he took on semi-speculative securities to supply the demand of his customers which he now realizes should not probably have been offered.

The investment banking fraternity have spent a large amount of both time and money in an effort to protect their clients to the fullest extent in the reorganization of industrial securities which became involved in difficulties in this trying period. Probably this is one reason why we hear less and less complaint from the investor; he is beginning at last to realize that the investment banker has been doing his best to work these situations out, coupled with the fact that the conditions of these companies and their security values are improving.

In conclusion may I put forward one word of warning—let us be careful that we do not have our better judgment again swayed by public opinion when prosperity returns.

PRUE COTTONS

Manufacturers of INDUSTRIAL and HOUSEHOLD Cottons in Canada for over TWENTY-FIVE YEARS

DOMINION TEXTILE Company Limited

MONTREAL
TORONTO
WINNIPEG
VANCOUVER

jh

CONTINUOUS SERVICE

Letters issued by our Statistical Department provide a "protective" service of authentic information with interpretations by responsible authorities.

● MID-WEEK REVIEW ... authoritative observation on securities and the markets ... independent survey of conditions.

● SPECIAL LETTERS ... opinions of current developments ... investment and speculative opportunities.

Current Issues on Request

JONES HEWARD & COMPANY

Members
Montreal Stock Exchange
Montreal Curb Market

249 St. James Street West
Montreal
Telephone HArbour 6131

TORONTO: 38 King St. W., WAverley 2345

Enquiries

Ogilvie Flour Mills

Will you kindly let me have a short review of the current position of Ogilvie Flour Mills? Where does it secure its revenues? I notice that the company's stock is subject to sharp fluctuations.

Common stock of Ogilvie Flour Mills is regarded as one of the high grade common stock investments on the Montreal market. This company is a milling enterprise primarily, but over many years a large and important investment account has been built up. The management have never published details regarding its investments, but they are generally understood to cover prime securities. Income is derived from these investments, as well as from milling operations.

The sharp upswing in stock market valuations over the last few months has no doubt greatly strengthened the investment account of Ogilvie Flour Mills. This has been reflected in a substantial appreciation in the company's own stock. It should be remembered, however, in connection with the stock market value of Ogilvie's shares, that very few of the latter are available for trading. Thus a reasonably large order for the stock would cause it to rise several points, even though there had been no apparent improvement in the position of the company.

Brazilian, Abitibi

Will you kindly advise me if I should continue to hold 25 shares Brazilian bought at 14⅛ and 25 shares bought at 9⅜?

Do you think I should increase my holdings in the securities or buy stocks like Abitibi Power, as there is much activity in this stock at the present time?

International considerations are paramount in coming to an early conclusion as to whether or not you should hold your stock in Brazilian Traction. The Brazilian milreis has dropped from nearly eleven to seven cents in value and this has greatly lessened the value of Brazilian earnings as expressed in Canadian dollars. Moreover, everyone who wishes to send funds abroad in Brazil has to apply to the central bank and except for absolutely necessary payments of interest or for accounts the tendency is to prevent large payments. It has, therefore, been impossible for some years except on rare occasions for Brazilian Traction, Light and Power Company to pay other than stock dividends. Even this has been stopped recently.

Brazil is a country of immense resources. It has a favorable trade balance at present but it is not able to establish high enough balances in foreign funds to enable it to pay all the interest on its own government bonds, on interest on bonds of companies established there and to leave something over for dividends as well. It depends mainly on the volume and the price of coffee for maintaining its exchange in a good position. There has been a downward trend in prices of coffee for some years on account of the overwhelming surplus. This year again it is getting a record crop, sufficient alone to look after the world for a year. In spite of this, if it gets the ability later to make a foreign loan the position as to exchange may be stabilized until business brightens and the coffee situation is finally adjusted. Apparently it will take many years before the coffee situation can be brought under control.

The activity in Abitibi Power and Paper Co. stock is because of the possibility of a fair code of prices being established in the United States under the National Industrial Recovery Act. Canadians would under this, have to accept their quota of newsprint to be provided and accept the prices. These prices would probably be better than are now received but there is no assurance yet as to what volume would be. The bondholders' committee of Abitibi Power and Paper Company have yet to submit a reorganization plan. This might possibly greatly reduce the number and value of the common shares. The reorganization has shown that the company has three or four high cost mills which are of no use to it. They are an expense rather than a help. It has two low cost mills and four other efficient mills with moderate costs.

Massey-Harris

I am holding ten shares of Massey-Harris common, bought at 25½ and I have been advised to sell at present market price.

It appears that Massey-Harris is a long hold and I would do better to switch into other good stocks that would not be such a long pull.

We cannot predict how long you would have to hold Massey-Harris common in order to get your money back. It will be some years at least before the company could reasonably be expected to be in a position to pay dividends on the common stock even if there were a marked advance in purchasing power of farmers in North America and elsewhere in the world. Such a revival, however, would increase markedly the hopefulness of those who hold the stock and strengthen its price.

The present improved price of wheat is built on much smaller crop returns expected during this year. The hold-over is still very large and consuming countries cannot, therefore, be rushed into high prices so long as cheap wheat is forthcoming. High prices might naturally be expected to cause increase in acreage which in a good year would again make the higher price levels unobtainable. To be conservative the financial position of the company must be considered somewhat uncertain until reviving purchasing power of farmers makes itself evident in considerable reduction of accounts receivable and inventories.

Paper Stocks

I have been a regular subscriber to your valuable journal for many years and I intend to be one all my life. It has always been worth while for me to follow your advice.

I would be glad to have your opinion before buying paper stocks. At present time what are the best paper stocks (common shares) to buy for a long hold?

We are very glad to hear that you have so high an appreciation of The Financial Post and its services. We hope that in the future our course will continue to merit your approval.

The situation of the paper company stocks at present is somewhat difficult to assess from the stock market point of view. Undoubtedly, the position has been improved by the fact that a large part of the excess pulpwood supply has been turned into paper and because it is unlikely that banks will be willing in the future to finance operations of high cost mills. The situation apparently is improved also by the fact that in the United States paper companies, acting under the National Industrial Recovery Act, are proposing that a reasonable scale of prices and a reasonable control of production shall be established. Any improvements naturally would work to the benefit of Canadian companies which would be expected to co-operate in a full measure to make the plan effective.

Much would depend on the distribution of business under such a plan between the United States companies and the Canadian companies. There has been an improvement in all paper prices except newsprint recently.

On the other hand companies are still operating on a semi-bankruptcy basis and in most cases under a receivership or an approximation to one. Reorganizations in a number of cases are in the offing and in some of these the common stocks may be almost entirely eliminated.

Canada Cement

Please let me have some information on Canada Cement Co. Is the company paying dividends on its capital stock?

Canada Cement Co. controls over 80 per cent of the Canadian cement industry. Its operations, naturally, are influenced by the extent of new construction, highway buildings, and other types of activity which call for the use of cement. Over the last 18 months the volume of business available to the company has been limited. While a more confident feeling exists at present in respect to the business outlook, this has not yet taken material form in the way of increased business for companies engaged in manufacturing basic products. The income account of Canada Cement for the past year revealed a smaller earning power. The company has been forced to defer dividends on its preferred stock, and there does not appear to be an immediate likelihood of resumption of payment.

Barcelona

What are the prospects for dividends on Barcelona stock?

At the annual meeting of Barcelona Traction, Light & Power Co. on June 28, Miller Lash, K.C., vice-president of Barcelona Traction, Light & Power Co., told shareholders that directors considered it advisable to conserve funds owing to uncertainty of business and exchange. During his talk he also said that conditions in Spain have not settled down since the revolution. Further demand was being made on the company by labor but hydraulic conditions had been better this year. It had not been necessary to use steam to generate power. No coal was being burned for that purpose and it was anticipated that in 1933 the company would get through the year without having to do so.

As Spain has in the last year or so managed her exchange situation with reference to the British pound, there is hope that improvement of the latter may help the Spanish peseta.

5% Dividend Tax

"Will you kindly advise me what the position would be with reference to the five per cent Canadian tax, of an American investor living in the United States, on the dividends on such stocks as: Dominion Stores, Shawinigan, International Nickel, Noranda, C.P.R., assuming that dividends were being paid?

"I have a number of Canadian stocks which pay dividends in Canadian funds only and because of this tax and the prospects of the depreciation of the Canadian dollar continuing indefinitely, it has seemed advisable for me to make some sort of a shift. I cannot, however, bring the funds back to the United States without considerable shrinkage, and I have wondered if it would be better for me to shift into stocks that would have an International market."

You would have the five per cent tax on dividends of Canadian companies deducted at the source on shares such as you mention. This would apply to any American investor living in the United States.

There is a possibility of the Canadian dollar going to par in the United States, as its recent course has indicated. However this cannot be predicted.

If you were to try to avoid loss through exchange by shifting to internationally traded securities you would not succeed. The reason is that the difference in price between International Nickel, for instance, in Canada and the United States is practically exactly the difference in the exchange rates. This is due to operations of brokers dealing in both markets who can make a profit, if the exchange differential is allowed to get slightly out of line. They, therefore, rectify the differential by their operations.

B. A. Oil, Can. Bread

I own 100 shares of B. A. Oil and also 100 shares of Canada Bread. Are these stocks good to hold for a further rise?

The position of oil companies has been somewhat improved by the measures being taken in the United States under the National Industrial Recovery Act. If the threatening mountain of over production under this plan is surmounted it will improve matters in Canada because there was always the prospect of this excess being bootlegged into Canada in some way, shape or form. British American Oil also has production in the United States and if under this plan the amount paid to primary producers is increased materially it would be of great assistance to British American Oil. Last year it more than covered its dividend on common stock. The bank loans of the company at the end of its last fiscal year were rather large and shareholders gave permission to issue $5,000,000 of debentures to pay off the bank loans and to place the company in a good position as to working capital. Market conditions have not favored that so far but it is a prospect that has to be faced. Real recovery in business and increase of purchasing power by the community at large would be of assistance to this as well as to other major oil companies in Canada.

The position of Canada Bread would probably be improved by increased purchasing power. In a time when there is a great deal of unemployment a large number of families go on relief and a considerable amount of bread has to be sold at prices which are not profitable to the companies selling. A worse feature is that formerly this bread was sold to the same people, while they were working, at a price which allowed a profit. There is more baking capacity in Ontario cities and towns and elsewhere where Canada Bread operates than is needed. However, the company is well run, has sufficient working capital to meet its needs and has demonstrated time and again in the past that it is able to take advantage of periods of recovery better than most other bread companies.

Brazilian, Walker

I should like to have your opinion of the following as my holdings do not seem to me to be properly diversified: 26 shares Brazilian Traction bought at $62 a share; 20 shares Hiram Walker common bought at $7 (average of stock before split) and 20 shares Hiram Walker preferred bought at $7. Also $1,000 Province Saskatchewan 6 per cent, 1952; $2,000 Province of Alberta, 6 per cent, 1947; $500 Dominion of Canada 4½ per cent, 1957; $50 Dominion of Canada 5½ per cent, 1934.

I am at present employed as an accountant, and am the sole support of a widowed mother. We own our own home on which there is a mortgage of $2,500 at 6 per cent, payable at $500 yearly.

As I am under the impression that I should make some changes in the above portfolio, will you kindly let me know if same is suitable for my position or not.

I am also considering the selling of the $500 Dom. of Canada bond to purchase some more common stocks at the prevailing prices.

My present salary is not sufficient for my expenses, so am desirous of increasing my income.

As a woman whose present salary is not sufficient for her expenses it seems to us that any sales you make of your holdings should be made with the idea of getting into safe securities so that your income from them would be dependable. You state that you are desirous of increasing your income but it is, under the circumstances, taking too great a chance to hope to do this by getting appreciation. Though at times one apparently gets good paper profits in that way these are often wiped out by later reaction.

Brazilian Traction has had good earnings in milreis but trouble with the exchange has been the dominant factor which has prevented it paying dividends. A sale of Walker now would show you a considerable profit as the stock is high, because people expect a merger of distillery companies and a possible increase in demand for a period from the United States if the 18th Amendment is repealed.

In the long run the natural expectation is that Brazil will fully recover and that would be expected to aid Brazilian to pay dividends in Canada. If you wish income regularly you will want securities which are not subject to stoppage of dividends in times of stress in international money markets.

Lord Nelson Hotel

Would you be good enough to tell me if the Canadian Pacific Railway guarantees the interest and principal on Lord Nelson Hotel Bonds?

The Canadian Pacific Railway only guarantees the interest on the Lord Nelson Hotel bonds. It does not assume any obligation in respect to the principal. These bonds were originally issued with a 6½ per cent coupon. Interest due on May 1, 1931, was paid by the Canadian Pacific, but interest due on November 1 of the same year was not paid. In the following month the bondholders met and agreed to a reduction in the interest rate to 4 per cent and waived sinking fund payments due December 1, 1931, and 1932, on condition that interest due to maturity be guaranteed by the C.P.R.

CHAIN STORE SALES EXPECTED TO GAIN IN DOLLAR VOLUME

Moss, Lawson & Co. Expect Flight from Dollar Into Stocks

Moss, Lawson & Co., members of the Toronto Stock Exchange, believe that the rise in the prices of basic commodities recently will shortly be reflected in the volume of dollar sales for all chain stores.

In a recent analysis of the annual statement of Loblaw Groceterias Co., Moss, Lawson & Co. add some specific references to inflation and the effect of inflationary policies on stocks of such companies as Loblaw Groceterias Co. They believe inflation is a new god ruling supreme in world markets, casting aside old standards and inevitably creating new values. The very fact that the United States has accepted inflationary principles is of first importance to the Canadian and his investments, it is urged. Because of economic and financial ties and contiguity of the two countries the possibility of Canada copying similar measures cannot be discarded.

Results of Inflation

Making it plain that they are not concerned with contentious questions as to whether inflation is economically sound or not, Moss, Lawson & Co. proceed to record what they believe the result of inflation will be on investments.

On this point the analysis is as follows:

"Accompanying the improvement in business, an increase in commodities and tangible assets has taken place, not only in the United States, but also in Canada, since the influx of new ideas has penetrated the Dominion. As in most other inflationary periods, the stocks of companies possessing a commodity base have likewise shown rapid improvement. Experience suggests to us that there will be no diminution of this advance of stocks over a broad period, nor will the flight from money cease.

"Some people buy commodities or stocks for speculative purpose only. The investor should be guided by other considerations — primarily the safety of his principal. If inflation reduces the value of money, and experience tells us that during such a period the purchasing value of the dollar gradually declines—it is better to invest in commodities, stocks representing commodities, or stocks of industries that will benefit from increased business due to inflation."

Canadian Flour Leads

Western wheat growers are glad to note that Canada still leads strongly in the British market with wheat flour. During the first four months of 1933 British imports of Canadian flour totalled 1,127,579 cwts., with Australia second at 743,246 cwts. During the corresponding four months of 1932 Australia led in the British market with 1,355,505 cwts. and Canada was second with 820,604.

Use Alberta Tar Sands

The recent discovery of high quality oil in the Athadome well No. 2, near Athabaska, is expected greatly to enhance prospects for the increased use of Alberta tar sands.

High-Grade Bonds

Securities of the following type should be included in every investment account.

	Price	Yield
DOMINION OF CANADA 4½% Bonds—due 15 October, 1944	101.00	4.39%
PROVINCE OF ONTARIO 4½% Bonds—due 1 June, 1950	99.50	4.54%
CITY OF TORONTO 4½% Debentures—due 1 August, 1952	98.75	4.60%

For further information please telephone WAverley 3681 or telegraph us collect.

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

5% INVESTMENT DEBENTURES

Available in amounts of $100 and upwards. Canada Permanent debentures have long proved a sound and paying investment.

FOUNDED 1855

CANADA PERMANENT Mortgage Corporation
320 Bay Street, Toronto
Assets exceed $70,000,000

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
61 Years in Business
Capital $2,000,000—Reserve Fund $3,300,000.
Make Mortgage Loans on Owners' Homes at reasonable rates of interest.
ARCHIBALD McPHERSON, *President.* T. H. MAIN, *Manager.*

T. C. E. WATT E. H. WATT F. C. VENABLES
R. W. WILSON W. L. CHRISTIE

WATT & WATT

Members:
Toronto Stock Exchange
Standard Stock and Mining Exchange
Winnipeg Grain Exchange
Chicago Board of Trade
New York Curb (Associate)

INDUSTRIAL and MINING STOCKS
BONDS GRAIN
Direct Wires to — Montreal, Winnipeg, New York, Chicago
6 Jordan Street Toronto
ADelaide 3221

DRURY & THOMPSON

Members
MONTREAL STOCK EXCHANGE
MONTREAL CURB MARKET

Announce the opening of a Branch Office at

52 BROADWAY, NEW YORK, N.Y.

Telephone: Digby 4-7316

under the management of Mr. M. H. Bluethner

MAIN OFFICE:
360 St. James Street, Montreal *HArbour 1254*

We have pleasure in announcing the formation of

SEAGRAM, HARRIS & BRICKER

MEMBERS
TORONTO STOCK EXCHANGE
MONTREAL CURB MARKET

for the transaction of a general brokerage business

PARTNERS

EDWARD F. SEAGRAM
PRES. JOSEPH E. SEAGRAM & SONS LTD.
PRES. WATERLOO TRUST & SAVINGS CO. LTD.
1ST VICE-PRES. DOMINION LIFE ASSURANCE COMPANY

GOODWIN R. HARRIS
MEMBER TORONTO STOCK EXCHANGE
MEMBER MONTREAL CURB MARKET
FORMERLY PARTNER
McLEOD, YOUNG, HARRIS & SCOTT

W. R. BRICKER
DIRECTOR, WATERLOO MUTUAL FIRE INSURANCE CO.
FORMERLY, MANAGER OF JOHNSTON & WARD, KITCHENER OFFICE

505 Royal Bank Building
TORONTO, ONTARIO
WAverley 2371-2-3

58 King Street West
KITCHENER, ONTARIO
Telephone 3690

We are also pleased to announce that MR. PHILIP F. SEAGRAM is now associated with this firm

SHARE EARNINGS OF SHAWINIGAN ON LOWER SCALE

Power Sales Up in 1933 But Income from Investments Off

From Our Own Correspondent

MONTREAL.—Power sales of Shawinigan Water and Power Co. were higher during the second quarter of 1933 than was the case in the first quarter. Revenues followed the same trend, but in relation to the returns for the corresponding period of 1932 income for 1933 is on a lower basis.

The total amount of power generated and sold for the three months ended June 30, 1933, aggregated 927,416,653 kw.h. compared with 892,229,350 kw.h. for the first quarter.

This increase of 3.9 per cent is attributed to the greater amount of secondary power sold during the period. There was also a slight improvement in the primary power load.

Gross Revenue Lower

Gross revenues for the second quarter of 1933 totalled $2,986,540, compared with $3,001,203 in the preceding quarter and with $3,196,487 for the first three months of 1932. The decline is due to the reduction in income from the company's investments.

Surplus before depreciation and income tax in the second quarter of the current year amounted to $630,384 as against $822,571 for the same period last year. After the deduction of the usual amount for depreciation — $200,000 — the balance available was equivalent to nearly 20 cents a share on the outstanding capital stock, or roughly 10 cents a share less than for the second quarter of 1932.

Less For Stock

Particulars of the income account for the second quarter of 1933 and 1932 follow:

	1933 $	1932 $
Gross revenue	2,986,540	3,196,487
Less: Oper. & main.	532,187	
Power purchased	418,621	
Water rentals	76,154	1,359,166
Taxes and ins.	169,140	
U. S. exchange	131,757	
Net income	1,658,681	1,840,321
Fixed charges	1,028,296	1,017,750
Surplus*	630,384	822,571

*Before depreciation and income tax.

Half Year Return Off

Cumulative returns for the first half of 1933 show a gross income of $5,987,743. This compares with $6,442,652 for the same period of 1932. After providing for senior charges, including premium on U. S. Exchange, net income totalled $3,279,728, or approximately $400,000 less than for the same six months last year. Fixed charges remain about the same, while the surplus available for depreciation, income tax and dividends for the first half of this year was $1,223,330 compared with $1,670,573 for 1932.

Allowing for depreciation on the usual basis, namely, $400,000 for the half year, earnings on the capital stock, before income tax, amounted to 38 cents a share or nearly 20 cents a share under that reported for the initial six months last year.

Surplus Figure Smaller

Details of the income account for the first half of 1933 and 1932 follow:

	1933 $	1932 $
Gross revenue	5,987,743	6,442,652
Less: Oper. & main.	1,058,453	
Power purchased	855,225	
Water rentals	167,412	2,768,682
Taxes and ins.	341,421	
U. S. exchange	285,504	
Net income	3,279,728	3,676,970
Fixed charges	2,056,398	2,006,397
Surplus*	1,223,330	1,670,573

*Before depreciation and income tax.

World Parley Day by Day

Record in Brief of Events at London Conference

Official and unofficial reports of events at the London Monetary and Economic Conference are given below in daily summary form.

From July 5 to 11, the conference was chiefly occupied with discussion of the agenda, various phases of which were passed back and forth between the steering committee, the commissions and the sub-commissions.

JULY 5 — Reported conference about to disband. Resolution to be presented to steering committee asking two months recess. Commercial and economic commissions expected to be left to carry on the conference alone. Disagreement of gold nations and United States on currency stabilization the bone of contention.

In event of adjournment of conference, it was expected that R. B. Bennett, Canada, would urge assembling Empire countries for furthering Ottawa preference agreements.

Four power wheat agreement on a tentative basis, pending enlistment of smaller producers and consuming nations to aid restriction of production.

JULY 6—Steering committee decided to continue conference with restricted agenda. Would leave out currency tariff questions. France only nation represented on the steering committee voting for adjournment. Steering committee asked other committees to report on agreeable amendments of agenda.

Countries favoring currency stabilization asked elimination of tariffs and quotas from agenda on grounds that they depend on stabilization. Reported that a gold bloc customs union would be formed to fight against inflation. Nations mentioned were: France, Holland, Belgium, Switzerland, Czechoslovakia, Italy and Poland.

Danubian producers said to favor wheat production restriction.

JULY 7—Sub-committees voted in most instances to carry on the conference with the full agenda. Sub-committee on commercial policy voted in favor of French plan to eliminate tariffs and quotas from discussion. Monetary commission on temporary measures voted to continue discussion of all phases of financial policy. Roosevelt message implied suggestion other countries co-operate in price-raising programme.

France reported to be about to pass tariff measures to combat depreciation of currencies. France, Belgium, Holland, Switzerland, Italy and Poland arranged meetings of their central bank heads to defend gold standard.

Tariff truce said to be threatened by monetary developments of conference.

JULY 8—Official sessions not held. Debate of conference expected July 10 in House of Commons. Reported that British opinion growing in favor of raising prices as in the United States. Dominions favor it. Specific information sought from Washington as to how far price-raising policy is to extend.

Gold nations reported to have formed a huge exchange fund to protect weak currencies in the group. Germany, Czechoslovakia and the free city of Danzig expected to join the gold bloc in exchange fund agreement.

JULY 10—Full monetary commission approved Chamberlain motion to leave all currency questions on agenda for sub-committee on temporary monetary measures. Monetary commission appointed an agenda-drafting committee of ten, on request of steering committee, to reconcile difference on monetary measures to be discussed.

Steering committee expected to rule out discussion tariffs and quotas by sub-committee on commercial policy. Approved report of sub-committee on indirect protectionism and co-ordination of production that they could continue their work. But recommended that sub-committees appoint agenda-drafting committees.

France announced she would not discuss general monetary matters under present conditions, no matter what the steering committee decided.

Danubian countries, Poland, Jugoslavia, Hungary, Bulgaria and Roumania, agreed to limit wheat exports on consultation by four great wheat producing nations. Italy, Belgium, France and Germany, chief importers, to be approached on import restrictions.

Debate in British House of Commons indicated moderate approval of price-lifting programme in U. S. A.

JULY 11 — Agenda-committee of monetary commission reported to steering committee that it is no use discussing subjects on which agreement is unlikely. As a result, monetary questions, tariffs and import quotas were cut off agenda. Financial questions left on agenda include long and short term debts, central bank co-operation, creation of central banks in countries which have none and rehabilitation of silver.

Conference expected to continue discussion of non-contentious subjects for a few weeks and then main body to adjourn until autumn, leaving some committees at work. Agreement on co-ordination of silver production and marketing considered likely.

Canada working with other Empire delegates to improve Empire trade and co-ordinate Imperial currencies.

JULY 12 — Key Pittman, United States, told monetary sub-commission that Federal Reserve banks did not want central bank co-operation discussed on the "non-contentious" agenda. This leaves only rehabilitation of silver and debts (not war debts) among major items for discussion. Pittman said by Europeans to have killed gold clauses of his former silver resolution.

Many leading delegates had left for home. Americans discussing plans for return to United States. R. B. Bennett expected to leave London by July 31.

Economic division of conference discussed minor commodities in connection with control of marketing and production.

JULY 13—Walter Runciman, Great Britain, bluntly stated Britain would not consider public works programme, citing former trials as ineffective in stemming unemployment. Appointment of sub-committee on public works consequently stopped.

Gold bloc nations held up agreement on Pittman resolution calling for use of silver in monetary reserves. Suggestion of use of 20 per cent silver in reserves dropped from resolution. Pittman also asked banks consult on silver.

Joseph Connolly, Ireland, supported Russian proposal of pact of non-aggression. Raised question of dispute with United Kingdom.

American delegation proposed shorter hours and higher wages for world.

British rejection of public works programme said to be shock to Canadian and other Dominions' delegates. Dominions said to be planning presentation of price-raising scheme to conference. Pegging sterling to franc said to threaten Australia's and New Zealand's ability to pay debts.

Wheat conversations were excluded from conference agenda when attempt made to include them. Agreement on wheat threatened by Danubian countries asking right to export more wheat than four prime wheat powers suggested. Russia asked that she be consulted before anything is done. Wheat importing nations stalled, pending agreement of producers.

JULY 14—Steering committee decided to hold plenary session July 27 when conference will recess, except for some committee work. Hope to reconvene conference later. Reports of economic commission and monetary commission expected July 21.

Reported success of British Dominions' efforts to get mother country to adopt price-raising programme depends on whether British sentiment also favors plan.

United States reported to be preparing resolutions on extension of tariff truce and on price-raising.

JULY 17—Experts to meet to consider continuance of committee work after delegates leave London.

Ramsay MacDonald reported to have pleaded for agreement in wheat conference so that achievement can be reported at plenary session July 27.

Silver negotiations continue. Italy only member of gold bloc favoring further use of silver. Holland opposed. Agreement uncertain because of qualified views on acceptance of plans for rehabilitation of silver.

American delegation said to be awaiting Washington's approval of proposed resolutions to extend tariff truce and raise prices.

Sub-commission heard Brazilian proposal to restrict coffee production and reduce tariffs on coffee. Appointed sub-committee to study it.

JULY 18—American delegates proposed international conference of copper producing nations. Steering committee left question over until after session of July 27. Steering committee expected to arrange for carrying on the conference in skeleton form even if main body adjourns July 27.

Proposal made that conference should recognize that international debts should be paid, but not in a manner to harm or impair credit of the payer by Britain, France, Italy and Roumania.

Silver conversations impeded by disagreement of Spain to restrict sales of demonetized silver. India and China reported opposed to certain phases of the silver conversations.

Wheat conference reported agreement with Danubian countries to limit their exports to 50,000,000 bus. this year and 50,000,000 bus. next year. Russia still an unsolved problem. Importing countries have not agreed to take more wheat, which is necessary before Australia will agree to cut production.

Wheat

From Our Grain Correspondent

Government Liquidating

THERE is a general belief that some substantial portion of the Government's position in the wheat market has been liquidated, although still leaving it to constitute not less than half of the open interest in the market. Largely this opinion is based on surmise, but the theory is that those responsible for Government policy will run the risk of much criticism if farmers are severely disappointed through seeing prices rise now to extravagant heights which cannot be sustained when the new crop comes to be marketed.

Supposing dollar wheat to have been an objective, it would seem natural to let go as much as the market would absorb at near that level, rather than force it higher by holding back now futures which would have to be sold later at the risk of market disturbances. The volume of transactions which has been in progress suggests that the market has had greater supplies to work on than would have been possible had the Government holding been held at its maximum level. In fact it would probably take some volume of selling on the part of the Government agency to prevent the Winnipeg price from following Chicago much more closely than it has done.

* * *

Crop Estimates Lower

ANOTHER week of heat and drought has played havoc with the possibilities of the Western crop, and has much enlarged the areas of crop failure and of inevitably poor production. Rain and cool weather during the past week might have still resulted in great increase in production, but much of the crop has now passed the stage where much improvement is possible, and hopes of farmers for late rains will be centred on getting sufficient quantities of feed. The market has dropped all thought of a crop that might reach 350,000,000 bushels of wheat, and an estimate of 300,000,000 bushels is now regarded as optimistic.

There are still, it must be remembered, extensive areas where crop conditions are excellent, and where farmers are counting on yields as large as they ever get, but these areas are now of comparatively limited extent compared with the great stretches where prospects range downward from fair to poor. Southern Alberta is now in poor shape. Many parts of Southern Saskatchewan, in the former drought area, are nearly as badly off as ever, with other parts still doing fairly well. Conditions are spotty to an unusual extent, and great variation is to be found within a few miles, due to the presence or absence of local rains at critical times. It is going to be more than usually difficult to arrive at a satisfactory estimate of the actual out-turn, as the report of a crop correspondent which ordinarily could be taken as representative of a large territory, may be valid now only within a few miles of his home.

The possibility of relief having to be administered over some fairly large stretches of country now begins to be discussed, both because there will be little or no cash income from crops, and because feed supplies, unless there is a change for the better very soon, are going to be short.

RAIN CHIEF NEED THROUGHOUT WEST

Crops Suffer from Heat and Lack of Adequate Moisture

Little change has taken place in the condition of Prairie wheat during the past week, only slight rainfall being experienced and all districts greatly in need of additional moisture, according to the weekly crop report of the Dominion Bureau of Statistics dated July 18. Chief effect of the extremely hot weather and lack of moisture is that wheat is maturing early and stands are thin and short.

In many cases harvesting will be difficult. As a result of June conditions, the wheat plant did not stool properly and small heads are now general throughout the affected areas.

Crops are poor throughout southern Manitoba and the yield will be very light. In northern Manitoba crops range from fair to good, reflecting a more adequate moisture supply.

In Saskatchewan crops are poor in the southwestern and in west-central areas and part of the south-central area where drought and heat have damaged crops beyond any possibility of recovery. In other areas crops are fair to good.

Rain is urgently needed in the southern area of Alberta, where crops are showing the effects of adverse conditions. Conditions in Northern Alberta continue favorable and the outlook is promising. Considerable hail damage is reported in Manitoba and Saskatchewan during the past week.

GOOD PRICES HELP ALBERTA FARMERS

Wheat, Wool and Beets Are All in Fair Condition

From Our Own Correspondent

LETHBRIDGE, ALTA.—For some time now Southern Alberta farmers have been pocketing around $25,000 a day as a result of wheat deliveries made during a period of rising markets.

Wheat prices are now double or more what they were last fall when the bulk of the 1932 crop was being delivered. Deliveries of wheat from farms to line elevators have been running around 40,000 and 45,000 bushels a day. Shipments from the Lethbridge railway division have been running 30 cars a day. Total shipments exceed 30,900,000 bushels.

Wool growers are receiving 11 to 12 cents a pound for wool sold outright while the Canadian Co-operative is advancing 8 cents a pound and members are confident they will eventually get 15 cents. This is what is making the long depressed sheep industry smile. Farmers are getting twice as much in their advance from the Co-op. as the ultimate price was for the 1932 clip. The total clip is about 2,250,000 pounds.

This year's grain crop is spotty and a fair yield only is looked for on account of dry weather and hopper infestation. In the southeast and south, where rains have been heavier, reports are uniformly more encouraging. North and west, however, grain is heading short and some reports are received of white-tip. No district is likely to have a total loss and a good soaking rain would do untold good.

The sugar beet crop is good and a normal yield on 14,000 acres is looked for. Hay except on irrigated land is disappointing.

Grain and Milling in Canada

QUERY VALUE QUOTA PLAN TO CANADA

But Proposed Wheat Control Method Finds Favor in Europe

AIDS ISOLATION

Europe For Europeans is Principle Often Advanced For Wheat Control There

From Our Own Correspondent

WINNIPEG.—When the wheat conference at London switched from discussion of possible agreements for cutting down wheat acreage to control of wheat exports by a system of agreed quotas, the development was a natural one. Although the declared objective was still to cut down the production of wheat, it appeared doubtful if any government had sufficient control over its own farmers to enable it to make promises for acreage reduction that could be relied on by other parties to the agreement. Any attempts to check performance of covenants made would be both so difficult, and would promise so much disagreement, that it would be practically impossible to work out a plan that might be agreed upon.

Export quotas are different. Undoubtedly each exporting country has it within its powers to prevent wheat shipments beyond an agreed figure, and performance of an agreement can be easily checked. It is consequently easy enough to work out a plan, and the difficulty comes in agreeing upon which plan is to be accepted.

Danubian Countries Want Control

The Danubian countries and Poland were bound to accept export quotas "in principle" as soon as these were suggested to them by representatives of the United States, Canada, Australia and the Argentine. For a long time those countries have been fighting, individually and collectively, to get the principle of quotas for wheat export accepted by other European powers and conferences to that end have been almost continuous for a number of years.

Their formula is simple.

Let Europe be treated as a unit so far as the international trade in wheat is concerned. Europe should use up Europe's own wheat, and then import whatever be necessary from the outside. The quota for Danubian countries should be one hundred per cent of what they can spare for export, and the other countries of Europe, in the interests of European prosperity, should see that this wheat is used up before any is brought in from other countries. At conference after conference, both within and without the League of Nations, this view has been advanced by Roumania, Jugo-Slavia, Bulgaria and Hungary, with Poland sometimes showing interest and sometimes indifference as her cereal situation changed.

France and Germany Agree

Both France and Germany have given indications of agreement with this idea, as the game of political balance of power has been played, and both have made treaties for special treatment of wheat from the areas concerned. The movement might have got much farther except for the fact that French and German farmers, if wheat is to be imported, prefer that it should be hard wheat of the Canadian type, which is complementary rather than competitive with their own, and under some conditions even adds value to their own wheat, instead of wheat from Eastern Europe. It was difficult, therefore, to make wheat plans serve both domestic and international political ends.

But in spite of all obstacles, and in spite of the collapse of various plans for bolstering up wheat exports in each of the Balkan countries, these countries have steadily kept up their efforts for controlled wheat marketing. Their representatives at London are reported as having objected to the quotas proposed to be allotted to them as too small. But it would appear so much to their interests to get accepted the principle of international control of the wheat market, that they might be expected to make immediate sacrifices, in the hope that the control principle might be later enlarged to cover the idea of "Europe for Europeans."

Accords With Pool Philosophy

It was also entirely natural that a scheme for export quotas should be endorsed by the heads of the western Canadian wheat pools. International control of wheat marketing, whether through governments or other agencies, has been part of the pool philosophy from the beginning, and has been preached on numerous occasions. Besides, international control would mean government marketing control within Canada, and what more natural, if it comes, than that the government should make its instrument an organization which had preached such control. Government control in Canada through the wheat pool might mean the destruction of open market wheat trading, and the realization of the old dream of a monopoly of the grain business in Canada.

That Russia, too, should agree in principle to quotas, was altogether likely, not only because the idea fits in with Russian notions of state control, but also because a special place made for her wheat in international markets might well enable her to sell at better prices, without necessity of undercutting other prices when she is ready to sell.

What Share Would Canada Get?

But there the likelihood of agreement ended. It was unlikely that other countries would give Canada by agreement as large a share of the export market as she has had for recent years, and must have unless she is to reduce her wheat production to a large extent, and the Canadian delegates could hardly come back home after agreeing to a much smaller share. Australia and the Argentine have not been accumulating carry-overs while the Canadian carry-over has piled up, and it would be a strain upon their delegates to agree to hold back their wheat until the Canadian carry-over had been largely liquidated. Russia can hardly be interested in restoring prosperity to the capitalistic world, either by raising wheat prices or by any other means, and unless it retained her right to export such quantities as she is likely to have to spare, a wheat agreement could be of little use to her. The United States, while it almost certainly is not going to export wheat for at least a year, and possibly not for a longer time, would hardly be expected to contract herself out of such business.

Benefits Doubtful

But even allowing the possibility of different countries agreeing upon quotas, the benefits appear to be very doubtful. It used to be thought, both by the pools and by the United States Farm Board, that if you took large quantities of wheat off the market and did not press them for sale, the price would go up just as if those quantities had no existence. But experience of recent years is that things do not work out that way, and that buyers do not lose sight of supplies that must eventually come on the market. Difficulties of adjusting agreed upon quotas to the changing demands of import countries, under changing conditions and under different price levels, would appear to be great. The Argentine, selling her wheat at a low price, might fill her quota. Canada, holding for higher prices, might fail to get her quota sold. Australia, taking advantage of an Oriental demand, might clean up her quota rapidly, and then ask for more.

How Would It Work in Canada?

While enforced acreage reduction was vigorously opposed in the West, the quota theory has received little notice or discussion, but if matters ever advance to the point where it becomes necessary to work out a definite plan, grave difficulties appear to be ahead for any government responsible.

According to the theory advanced by the pools, the quota plan would be carried back to individual farmers, with each one licensed to deliver a certain quantity of grain in accordance with past production. He might produce more, but could not sell it, and it would be his own affair if he chose to accumulate a reserve on the farm. Now generally speaking the northerly parts of Western Canada have had good crops for a number of years, the south from poor crops to crop failures.

Is the southern farmer's quota to be cut down in proportion to his bad luck of the past, and the northern farmer's to be made large in proportion to his good fortune?

Is a farmer who has taken up new land to be allowed to bring it under cultivation?

Will sale quotas be allotted to farm land or to farmers as individuals?

A government that settles such questions, and enforces its decisions is not going to be a very good insurance risk, but there will be more grief ahead.

Who is going to buy the wheat the farmer is licensed to sell, and on what basis?

It would appear very difficult for the open market structure as it is now known to function under such conditions. The farmer is able at present to sell wheat on any day because the buyer in turn can sell it for future delivery on the open market.

Could the open market operate with a system of export licenses and allocations in effect?

There might develop a situation where farmers in the country could sell wheat only so rapidly as wheat already in store should be cleared for export, or even less rapidly, as stocks now on hand should be reduced to smaller proportions. Or it could be that some grades of wheat would be saleable and others unsaleable. If that came about there would of course be demands for complete government purchase and sale of the whole crop, a demand that promises plenty of trouble, both in Western Canada and elsewhere, for a government that has to answer it.

Undoubtedly a system of quotas to countries, and of licenses to individual farmers, might in the long run result in the growing of less wheat in countries where it was rigorously applied, and submitted to by farmers, and where that was the result aimed at. But that Russia and importing countries should not meanwhile increase their production by compensating quantities would seem unlikely. And in the meantime, with various countries and individual farmers striving to retain their full rights under agreements, in the belief that higher prices were shortly to follow, there might well be an all round increase in production.

As to getting the wheat surplus used up, if a wheat surplus still exists, there seems to be no promise in such a plan. A belief that importing countries would be brought, under a system of quotas, to pay higher prices, undoubtedly exists in the minds of some supporters, whose faith in changing marketing systems as a means of raising prices has not been shaken by past experiences, whether in wheat or in other commodities. And there is at least equally strong opinion that such interferences are rather more likely to bring about lower prices than otherwise might prevail.

Maritime Lumber Exports

Lumber shipments from the Maritime Provinces to Great Britain this month and July will total from 40,000,000 to 50,000,000 feet, according to W. E. Golding, shipper of Saint John, N.B., who recently returned from a trip to England

Wheat Pit Divorced From Currency Ties

Recent Increases Resulted from Bullish News as Crop Prospects Fade — Idea That Canada Foolish to Remain Out of Line With Liverpool May be Fallacious

From Our Own Correspondent

WINNIPEG.—It is no longer possible to say, as was the case up to a short time ago, that the market at Winnipeg is a branch of the money market, and that fluctuations in grain prices are largely due to variations in exchange.

That condition lasted practically until the pound crossed the $5 mark in Canadian funds, and much of the buying of wheat which had previously been done resulted from correct anticipation of the course of the dollar-pound ratio, and was subsequently justified by the event. But just as the effect of the battle of the currencies began to wear off, crop conditions on the North American continent became bullish to an unprecedented extent, and what we have lately has been a weather market. Much of the buying that has been done lately has been probably in indifference or in ignorance of the course of exchange, and has been prompted by the thought that whatever wheat prices may have been, crop conditions made it possible that they would reach still higher levels.

Winnipeg Out of Line

The sceptic as to present wheat prices holding or advancing may point to the fact that the Canadian market is out of line not only with Liverpool but also with Australia and the Argentine. Australia continues to sell her wheat in Liverpool at about ten cents a bushel less than is asked for Manitoba No. 2 Northern, and the Argentine another ten cents a bushel under that. Both those countries are selling in substantial volume, and buyers are filling their requirements there. In the meantime, Canada appears to be sacrificing the chance of immediate sales, in the hope, which may prove illusory, of future profit, while making a good market for the wheat of other countries. And he will further note that while a comparatively small price increase in Liverpool might bring that market into line with Canada, provided present exchange rates hold, it would take a much greater rise if the Canadian dollar once again goes to a premium position over the pound.

But there are various answers to this. It may be the turn of Liverpool, of Australia and of the Argentine to be wrong on the situation, and of Canada to be right. We are much nearer on this continent to the crop damage that is changing the background of the wheat situation, and other countries may soon recognize that big changes have occurred. Already they have followed our rise, although taking care to stay well in the rear.

Perhaps the argument for high prices can be most completely stated by pointing out that for several years there has been a world surplus of wheat, estimated at about 350,000,000 bushels over reasonably comfortable supplies. By the end of the next crop year that surplus will have pretty well disappeared, with supplies and requirements in close balance. Admittedly, there will be no shortage of wheat for world markets this year, but for subsequent years a shortage might well develop and is perhaps as likely as a surplus. It is in fact somewhat startling to realize that, this year, North America, considered as a whole, may not produce a single bushel of export surplus, something that has hardly happened since this continent began to furnish supplies of food to Europe.

United States and Canadian production together will not by much exceed 800,000,000 bushels, and may be less than that quantity, a supply no more than sufficient for the needs of the whole continent. Whatever export takes place, therefore, will be at the expense of the North American carryover. That carryover, of course, is very large, at least 550,000,000 bushels, enough to supply all the wheat there is any likelihood of exporting this year, and still leave a substantial carryover, but at least the carryover has changed its character from a burdensome surplus to a useful reserve.

Healthy Market

The Canadian market may be said to have a somewhat more healthy tone, in that it is allowing the United States market to draw steadily away from it. Our prices still go up under the influence from rising prices in Chicago, but it is becoming recognized more fully that what happens to prices in Chicago is no index of the probable course of Canadian prices. On the other hand, a good deal of buying has been done on the part of those looking for a profit in the market, who may prove to be weak holders, once the prospect for additional profit fades.

Oats, barley and rye continue to follow the upward movement in wheat, very largely on the prospect that some of every kind may be exported to the United States during the coming crop year. The deficiency in these grains, of which there is no substantial carryover in the United States, is much more pronounced than is the case with wheat, and the substantial requirements in both barley and rye for brewing and distilling purposes. The prospect of Canada having any large surpluses of any of these grains has become much smaller during the past week, with large areas of the country threatened with a shortage of feed.

Danubian Pact Limits Exports For Two Years

Danubian countries will restrict their wheat exports this year to 54,000,000 bushels and next year to 50,000,000 bushels, according to an announcement made by the United States delegates to the wheat conference on behalf of Canada, United States, Australia and Argentina.

This decision on the part of the Danubian countries removes the objection of Australia for participation in a world-wide scheme for limiting the acreage sown to wheat, it is stated.

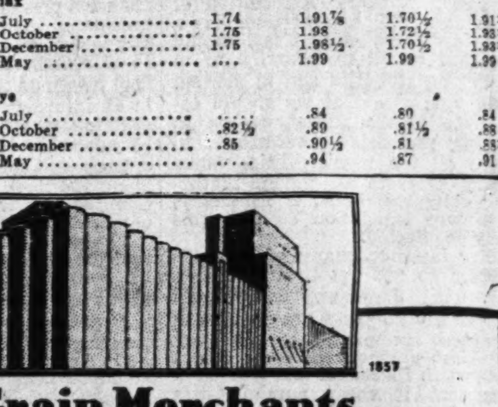
The Danubians were first asked to hold their wheat exports to 40,000,000 bushels but in the face of strenuous objection the amount was raised to the above figures.

Two more important factors remain to be adjusted before a world wheat agreement attains its objective. Russia, a large scale producer, and the European importing countries—France, Germany and Italy—must be fitted into any arrangement in a useful manner.

Winnipeg Grain Prices

Week to July 18

Crop year from Aug. 1, 1932 High	Low		Open July 12	High for week	Low for week	Close July 18
		Wheat				
.95¾	.43¾	July	.88	.95¾	.86¼	.94
.98	.46⅝	October	.90¼	.98	.88	.96⅝
.99¾	.65	December	.92½	.99¾	.89½	.98¼
1.04	.79¼	May	.96½	1.04	.94	1.02½
		Oats				
.46⅜	.21½	July	.42	.46⅜	.40½	.46
.48½	.21⅞	October	.44	.48½	.41¼	.47⅞
.52¾	.28½	December	.44⅝	.52¾	.41⅞	.48⅞
.52¾	.51½	May	.....	.52¾	.51½	.52¾
		Barley				
.64⅞	.26	July	.52	.64⅞	.51¼	.64⅝
.70	.27¼	October	.54¼	.70	.52	.67½
.71	.39⅝	December	.56	.71	.53¼	.69½
.72½	.69	May	.62	.72½	.69	.71
		Flax				
1.91⅞	.71⅝	July	1.74	1.91⅞	1.70½	1.91¼
1.98	.76	October	1.75	1.98	1.72½	1.93¼
1.98½	1.22½	December	1.75	1.98½	1.70½	1.93¼
1.99	1.99	May	....	1.99	1.99	1.99
		Rye				
.84	.34	July	.....	.84	.80	.84
.89	.34	October	.82½	.89	.81½	.88
.90½	.52⅛	December	.85	.90½	.81	.88½
.94	.87	May	.....	.94	.87	.91



Grain Merchants
Shippers & Exporters
75 Years' Experience in Domestic and Foreign Marketing of Grain
Pioneers in the Exporting of Grain from Western Canada
Correspondents in Every Foreign Port where Canadian Grain is sold
JAMES RICHARDSON & SONS LIMITED
OFFICES:
EXECUTIVE OFFICES - WINNIPEG EXPORT OFFICES - MONTREAL, VANCOUVER
KINGSTON-TORONTO-CALGARY-EDMONTON-MOOSE JAW-SASKATOON-REGINA

British America Elevator Company, Limited
WINNIPEG - MANITOBA
We Own and Operate 130 Country Elevators in
MANITOBA - SASKATCHEWAN - ALBERTA
Licensed Country Grain Warehousemen
Commission Merchants—Track Buyers
Members:
Winnipeg Grain Exchange Chicago Board of Trade
Minneapolis Chamber of Commerce

THE CANADIAN CONSOLIDATED GRAIN
COMPANY, LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants—Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

RELIANCE
GRAIN COMPANY LIMITED
Owners and Operators Country Elevators and Terminals
Exporters and Shippers
New York:
Smith Murphy Co. Inc., 510 Produce Exchange
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

N. BAWLF GRAIN CO. LTD.
ESTABLISHED 1881
HEAD OFFICE — WINNIPEG, MAN.
Branch Offices:
CALGARY, ALTA.; EDMONTON, ALTA.; YORKTON, SASK.
Owning and operating 150 country elevators and
BAWLF TERMINAL ELEV., PORT ARTHUR, ONT.
CAPACITY 2,500,000 BUS.

NORRIS GRAIN COMPANY LIMITED
Grain Exchange—Winnipeg 197 Bay Street—Toronto
PRIVATE WIRE SERVICE
Consignments and Futures Solicited
Offices:
Liverpool, London, Chicago, New York, Toledo, Kansas City

WESTERN GRAIN COMPANY LIMITED
Country Elevators Serving the Producers
in
MANITOBA, SASKATCHEWAN AND ALBERTA
WESTERN TERMINAL ELEVATOR, FORT WILLIAM
Cash and Futures Business Solicited
HEAD OFFICE: GRAIN EXCHANGE, WINNIPEG

Insurance for Buyer and Seller

LIFE COMPANIES REPORT GAINS JUNE BUSINESS

Early Figures Indicate General Improvement —Feeling Better

The majority of leading Canadian life insurance companies report business unusually brisk in June, according to a survey by The Financial Post. In nearly every case business was substantially higher than in May, while many were above the corresponding figure for June, 1932.

A typical statement of what is happening in the life insurance business is the dictum of the general manager of one of the leading life companies:

"Life insurance underwriters are getting a better hearing," he told The Financial Post, concerning the trend of June business. "Agents throughout many parts of Canada find it easier to tell their story. Prospects are much more receptive. In some areas we have considerably improved sales as compared with previous months this year," he said.

Early returns from Manufacturers Life, for instance, indicate that issued business is approximately 10 per cent over May and will compare very favorably with June of a year ago. Paid-for business is roughly 3 per cent higher than in May.

London Life, which always makes an intensive production drive at this time of the year, reports the greatest volume of underwriting in one week in the company's history, with a total of $7,217,000, of which $6,000,000 was industrial business and $1,200,000 was ordinary business. The returns were for the week of June 19. Complete returns for the month were not yet available.

Sun Gains in United States

Sun Life of Canada does not follow calendar months but paid-for ordinary business in the company month ending June 12 shows "marked improvement" in Canada as compared with June, 1932, while in the United States the company reports its paid-for ordinary business for the period as 60 per cent above the same period in 1932 and even above the 1931 level.

North American Life, on the basis of preliminary returns, reports June business well above the previous month. Volume of applications received show a gain over June, 1932, while issued business is about on a par with the previous year's experience. Settled business is expected to be slightly lower.

Northern Life Pleased

Northern Life of Canada is equally enthusiastic about its results for June, the company having experienced the best month's production of new business since September, 1930. New business written in June, according to general manager, G. W. Geddes, was 96 per cent in excess of that written in June, 1932. Incidentally May business for this company was 20 per cent above May, 1932, figures. Reduction in business terminated was also marked in both May and June, the company reports, while mortality for the first six months of the year was considerably below that of 1932 and the average for preceding years.

Ontario Equitable Improving

Ontario Equitable Life is another company to make big June gains. According to M. J. Smith, general manager, sales in June have been double those for June, 1932. Similarly new business for the first half of 1933 has been about 20 per cent ahead of the new business for the first half of last year. Terminations for each month to date have been less than those in the corresponding month of last year.

Empire Life Sales Increase

Another company pleased with June results is Empire Life Insurance Co., which reports a "substantial" increase in new business for the first six months of the year, particularly in the second quarter, when new sales were 20 per cent over the same period of 1932. Each month has shown a marked reduction over the preceding month in the amount of policy loans, according to L. T. Boyd, general manager of the company.

Insurance Firms Calm As Price Levels Soar

Assets Improve Rapidly as Security Values Rise — Inflation Prospects Not Feared — Business Better

Canadian insurance companies are not worrying as yet about inflation.

Some of them, of course, are greatly relieved to feel the load of worry and uncertainty removed (temporarily at least) by higher quotations for the stocks and bonds which they hold. Those who hold mortgages are also pleased by reason of 90-cent wheat, which in turn they hope will be translated into increased earning power for farmers and increased equities behind their farm mortgages.

Actually, they feel that the inflationary antics of the past few weeks will have little direct effect as far as policyholders are concerned.

"Both our income and our liabilities are in dollars," said the general manager of a leading Canadian company. "We are not worrying therefore about any monetary changes which have been suggested so far.

Indirectly, of course, the stimulation in security prices which has occurred in the past few months has ousted the red figures from many insurance companies' balance sheets.

Sun Life Pleased

Of particular interest is the Sun Life with almost half its assets invested in common stocks. In the heyday of 1929, it was often rumored that every time the Dow-Jones industrial stock index went up one point it meant $1,000,000 in the coffers of the Sun Life. Officials of the company have never confirmed this, and certainly they have not been over-anxious to talk about it in the last three years.

Take this yardstick though for what it is worth and apply it to what has happened in recent months.

A glance at the Dow-Jones index shows that from a high point of 381 in 1929 it had sunk to a low of 40 in July of last year. There was some improvement in the fall of 1932, but financial problems developed in the United States and prior to the banking holiday in March it again dropped to around the 50 mark. In the interim it has soared to approximately 105 which (again taking the ready rule of thumb method) would give the company a market appreciation in its investments of about $65,000,000 since the low point of 1932.

Have Huge Holdings

A glance at the asset columns of all insurance companies in Canada shows ledger value of bonds and debentures held at the end of 1932 (federally licensed companies) to be just over the $1.000.000,000 mark. Of this total $885,000,000 is life insurance company holdings, the remainder, fire and casualty assets. Total common and preferred stock holdings of all companies is $371,000,000, of which $350,000,000 is credited to life companies.

Just what soaring security prices has meant to this vast storehouse of wealth is indicated by the fact that The Financial Post index of high-grade bond prices in Canada has risen roughly 30 per cent since the low point of 1932. Many leading bonds such as Simpsons, Canada Cement, Abitibi and Massey-Harris have virtually doubled in price this year, while the appreciation in the value of newsprint securities in which Canadian life companies are heavily involved has been nothing short of spectacular.

Inflation Prospects

Of course, if inflation got really out of hand in the United States, life companies would not feel so pleased. In Germany by the time the debacle came to an end the assets of the largest life companies were just about enough to buy a few postage stamps. The difference between the present situation in the United States and that in Germany, in the opinion of one leading executive, is that in this new experiment the government and leaders generally are fully aware of the dangers of any runaway inflation scheme, whereas in Germany the government itself was swept away by the monetary madhouse in which it found itself.

Even if mob psychology does carry prices in the United States to fantastic levels it is felt that as long as the leaders, and particularly President Roosevelt, have their feet on the ground, all will be well. The danger that the situation may eventually get out of hand is not entirely absent, however.

More Business Looms

For fire and casualty companies the increase in values holds out a prospect of increased business, for with the steady decline in values of property and commodities in the past few years, premium volume has declined accordingly. Already warnings are being issued both here and in the United States to those with large lines of insurance to make sure that their coverage is adequate in view of the new scale of values that is being created.

Already life companies report sales and sales prospects materially increased as improved business sentiment loosens purse strings. June sales figures are expected to be at a high point for the year with July well above usual seasonal levels.

Freedom From Taxation Boosts Annuity Sales Here

Annuities are increasingly popular in Canada.

Recently The Financial Post reported that on the basis of government blue book figures 21 companies out of 28 reported an increase in their annuity sales during the year 1932. Some of the gains were small but further substantial increases are reported for 1933.

One feature of the annuity investment which has attracted considerable attention is its immunity from income taxation. According to enquiries made by The Financial Post a short time ago, income from annuities up to the amount of $1,200 annually is exempt from Federal income tax. Income received from this source over and above this amount is taxable. The limit incidentally is similar to the limit to which the Federal Government is restricted in its sales of annuities. Formerly the Federal Government was allowed to issue annuities up to the amount of $5,000 annually, but a year or two ago this figure was reduced to $1,200 as being more in line with the purpose for which Federal annuities were instituted.

Local Situation Curious

As to the local income taxation, however, a curious situation exists. For instance, in Toronto where a local income tax is collected, the income from a Federal annuity is exempt, while if the annuity is purchased from a regular life insurance company the income is taxable. This is obviously unsound. Practice in other communities and provinces differs.

Apparently opinion differs widely in various countries as to whether the income tax annuities should be taxable. In the United States the plan is to tax income from annuities when the total payments received exceed the sum paid. In England the entire income is taxed.

Last year the consideration received for annuities in Canada by federally licensed companies totalled just over the $3,000,000 mark. This year indications point to a very material increase in this figure.

Insurance Inklings

William Penman, F.I.A. actuary and life manager of the Atlas Assurance Company and director of the Montreal Life Insurance Company was a recent visitor to Canada, attending a monthly directors' meeting of the latter company. Mr. Penman was accompanied by W. L. Nicholls, F.I.A., of the actuarial department of the Atlas who will remain in Montreal two or three months to study Canadian life insurance ethics and practices.

JAMES GEDDES, Toronto, has been appointed Owen Sound district representative of the Imperial Life, succeeding R. V. Ricketts who recently was transferred to Guelph.

E. K. WILLIAMS, K.C., will address the annual convention of the International Association of Insurance Counsels in Chicago late in August. He will discuss "Some International Problems of Life Insurance Law." Mr. Williams is a member of the firm of Aikins, Williams & MacAulay of Winnipeg.

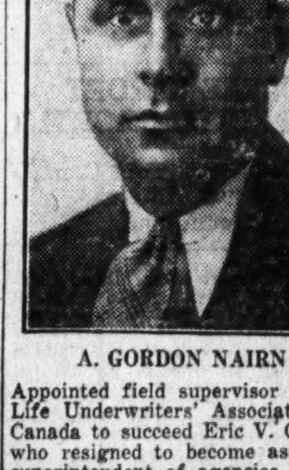
THE WESTERN EMPIRE
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

5% Instalment Savings Certificates
Provide the Ideal method of saving—with maximum safety and a fair return.
CONSUMERS FINANCE
LIMITED
Head Office OTTAWA
Under strict supervision.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
HEAD OFFICE FOR CANADA
HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST. ASSETS $4,616,449.70
BRANCH OFFICES
Toronto
Ottawa
Vancouver
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Montreal
Quebec City
St. John
Halifax
ALL POLICIES NON-ASSESSABLE, PAYING DIVIDENDS RANGING FROM 20% TO 30%

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $250,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 2 Toronto St., Toronto, Ont.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

Field Supervisor



A. GORDON NAIRN

Appointed field supervisor of the Life Underwriters' Association of Canada to succeed Eric V. Chown, who resigned to become assistant superintendent of agencies of the Mutual Life of Canada.

Bank Chat on Current Topics

Lord Macmillan's Post

IT APPEARS that The Financial Post's statement that Mr. Bennett would have achieved a fine stroke of business, if he obtained Lord Macmillan as chairman of the Canadian Royal Commission on banking and currency, will be substantiated. The intimation that Lord Macmillan is believed to have accepted an invitation to the chairmanship was obtained last week by the editor of The Financial Post who has been in London for several weeks. It was promptly relayed from coast to coast in Canada by the daily press.

Bankers look forward with great anticipation to a report signed by the distinguished British jurist. There has never been such a report issued in the history of Canadian banking as that which is expected. The now famous Macmillan report on industry and finance in Great Britain stands out as one of the most important financial documents in the history of British trade and banking. It is used as a standard reference by bankers and students of finance throughout the world. In fact it is coming to be regarded as banking gospel.

Incidentally, Lord Macmillan's name is spelled like that. Last week it was printed in The Financial Post as MacMillan, which is incorrect. But no one has pointed the error out to us yet.

* * *

ONE of the most interesting and valuable records of Canadian banking was made in 1909 and 1910 by a United States senate commission which visited Canada and took evidence from leading Canadian bankers. The forthcoming Royal Commission investigation, however, will be of largely Canadian character. There will be one other outsider in addition to the chairman. An American banker is expected to be invited to hold this position. In addition there will be a leading Canadian banker on the commission. Two places will be held by Canadian representatives of eastern and western customers of banks. These are likely to be prominent representatives of commercial and agricultural interests.

The value of Lord Macmillan in the commission of five is expected to be his ability to weld the views of the group. In Canada he will have a somewhat difficult task. The dissatisfaction in Western Canada with our banking system will require astute handling, if the report of the commission is to gain the prestige which is hoped for. Lord Macmillan, if his appointment is definite, should be able to do much good in this direction. His legal training is said to have made him of great value to the British investigation of which he was chairman. He was able to reconcile seemingly conflicting views of the authorities on the British commission. It is to be hoped that he can do the same for Canada. If he does, the report on Canadian banking will become of the greatest value to business men, bankers and economists, not only in Canada, but in the United States and other foreign countries.

* * *

Bank Skyscrapers

ITALY has just sent a flight of 24 airplanes to Chicago for exhibition purposes. They were greeted in Canada at Shediac, N.B., and at Montreal with great enthusiasm. Parts of rural Ontario also enjoyed a sight of the flight, but the city of Toronto was shunned by the Mussolini airmen. hereby hangs a tale of bank earnings.

The Canadian Bank of Commerce has as its head office in Toronto the tallest office building in the British Empire. The bank charges 25 cents for persons to ascend the topmost tower of the building and view the surrounding territory from the observation gallery. Of course a large crowd assembled in the gallery to await the advent of the Italian air armada, most of them at 25 cents each. The longer the arrival was delayed, the more admissions were paid to the gallery. When the flight did not turn up at all, it had not hurt the revenues of the observation gallery, there being no rebate for the failure of the Balbo-commanded airships to put on the show. As far as the bank was concerned the visitors to the gallery were not guaranteed any entertainment other than the usual worthwhile view from the tower.

A wit now has it that the Balbo air armada, caring little for bank stocks and earnings statements, went wide of Toronto in order to ascertain the condition of the crops in the somewhat parched Ontario countryside.

* * *

Branch Changes

The Canadian Bank of Commerce announces the following branch closings on July 15: Amherstburg, Ont.; Bayfield, Ont.; Varna, Ont., sub-agency to Bayfield; Kapuskasing, Ont.; North Sydney, N.S.

The Canadian Bank of Commerce announces the opening on July 17 of a sub-branch to Maple, Ont., branch at King City, Ont.

Imperial Bank of Canada closed the branch at Redcliff, Alta., on July 15, and transferred the accounts of the branch to the Canadian Bank of Commerce at Medicine Hat.

Bank of Montreal closed its branch at Chesley, Ont., on July 15, and transferred the business of the branch to the Chesley branch of the Canadian Bank of Commerce.

The Canadian Bank of Commerce closed its branch at Lucknow, Ont., on July 15, and has transferred the business of the branch to the Bank of Montreal.

Staff Changes

The Canadian Bank of Commerce announces W. H. MARTIN, formerly assistant inspector in the superintendent's department, Regina, has been assigned to special duties at head office, Toronto.

Bank Manager With Life Company

H. P. Wanzer, formerly manager of Queen and York Sts. branch of the Canadian Bank of Commerce at Hamilton, has become associated with the Canada Life Assurance Co. in Hamilton.

Current Banking Events

TRUST OFFICERS QUESTION WISDOM HOLDING STOCKS

Deprecate N. Y. Bank's Plan of Buying Stocks on Inflation Move

PREFER BONDS

Investment of trust funds in equity investments, in the form of common stocks, even to offset the results of inflation, is of doubtful wisdom, according to Canadian trust company officials and financiers consulted by The Financial Post. Attention has been drawn to this subject by an advertisement of the Bank of New York and Trust Co. stating that the organization has made substantial equity investments for some of its trust accounts.

Because of the prestige of the New York bank, and its 149-year record of success, the change in its policy has carried great weight in the United States, it is understood. Large commitments in common stocks for account of conservative investors are said to have been made on the strength of the advertisement. This influence was deprecated by one of Canada's leading financiers when consulted by The Financial Post. He also questioned the wisdom of a policy of investing trust funds in equity securities.

Not Planned in Canada

Canadian trust companies have not been considering a general policy of advising placement of a portion of trust funds in equities, The Financial Post is informed. Their attitude depends on the nature of the trust, the laws of the country, and the circumstances of the individual case. In estate and trust work it is constantly necessary to consider the retention or sale of equity securities, but Canadian trust officials do not usually recommend their purchase. However, in cases of living trusts, where the owner exerts some authority over the investments, the view is sometimes different, The Financial Post understands. But it is largely because of the attitude of the beneficiary.

The advertisement which brings this matter to the fore, reads, in part, as follows:

"We believe there is sound reason for the traditional view that under normal conditions trust funds should be invested in high-grade bonds. But we cannot feel that any view, however conservative in theory, is sound unless it really affords protection. We believe the conservative trustee must be courageous enough to recognize unusual circumstances and be guided by their mandate.

Based on Outlook

"Early this year, our investment officers made a careful survey of the outlook for monetary changes and of the effects of impending legislation. Special meetings were held beginning April 13, with the trust committee of the board of trustees, and after full consideration, is was concluded that changes in the economic outlook were sufficiently fundamental to warrant, if not compel, the inclusion of some equity investments in our trust accounts.

"Immediately analyses were made of all trusts where equity investments were permitted under the trust terms, and we promptly recommended to our various clients detailed programmes for converting into equities a portion of their funds, the amount depending upon the circumstances in each case."

The object of this policy is to protect the purchasing power of trust accounts against the inroads of inflation. The scheme is based on the principle that inflation causes prices to rise; higher prices lower the buying power of fixed sums of money and fixed money incomes. The means to avoid this concealed depreciation of a trust, according to this thesis, is to buy something which will rise in money value, thus offsetting the drop in real value of trust funds.

Considered Speculation

The Bank of New York says it is not actuated by a desire to make a speculative profit for its trusts. But Canadian authorities consider that this is just what it has done. The principle of speculation is criticized in Canada. The view of most Canadian trust officers appears to be that if an estate of $10,000 is placed in trust, it should be kept at that sum, no more, no less. The object of a trustee is not to make a profit, they say.

This answer of Canadian trust officers does not answer the inflation question. In connection with this they say that inflation to a substantial degree would undoubtedly change the real value of trustee securities which have been regarded as the only thing for the average trust acount. "It may change our opinion of what we have always bowed down to," one official stated. But even then he would not say equity investments are justified. He reasoned that purchases of equity of securities may perhaps be excused. But when do you sell, he asks? The question of taking profits, if any, he contends means speculation.

Danger of Equities

As an illustration of the danger of equity securities in trust accounts, one officer cited the case of substantial estates of shrewd and prominent Montrealers. In some cases they left such securities as C. P. R., Bell Telephone, Laurentide, and others, with the provision that they be retained. The depreciation of these shares since that time shows the danger of such investments in trust accounts, this officer argues. How long are you going to hold equity securities, another asks? If you sell, are you going to buy others? If so, what others? In brief are you going to turn trust accounts into investment trusts?

A trust officer, who boasts over 30 years in the business, cited to The Financial Post the stability of the money value of estates over that period. Estates have been handled by Canadian trust companies over long periods without showing a cent of loss in dollar value under the present system he said. This has prevailed through wars, inflation, speculation and depression. Trust officers are thus loath to consider changing the satisfactory rules they have followed in the past. They apparently feel that there is definitely a possibility of loss of purchasing power in high-grade bonds and fixed incomes. But they fear more the perils of equity investments. In brief they prefer the lesser of two dangers.

Responsible Advertiser

The founding of the Bank of New York and Trust Co., which sponsored the advertisement on trust funds invested in equities, dates back to 1784. It boasts the record of being the oldest bank in New York, and one of the oldest in the United States. Formerly it was always regarded as one of the soundest and most conservative American financial institutions. This has given more than average importance to its advertisement. Trustees and beneficiaries are understood to have followed its precepts in their own spheres, merely because of the name of the institution. Comparatively uninformed persons are said to have been influenced to buy common stocks instead of more stable investments because of it. This result may not have been foreseen by the advertising bank. It is criticized severely on this ground by some Canadian financiers. The perhaps unintentional condoning of stock speculation through this advertisement is considered one of its most dangerous features.

Up to the present the Bank of New York can afford to advertise its success. But its record in the future cannot be foretold. One good decision does not make a successful policy, in the opinion of Canadian trust officers. They look with some scepticism on the future for this plan. Some fear the dangers of the example. In the meantime, some of the trust beneficiaries of the Bank of New York are using their information on the equities bought as tips for stock market speculation.

Foreign Exchange

CANADIAN dollars and sterling retained most of their recent advance in terms of United States dollars in the week ended July 17. In the opinion of Canadian foreign exchange authorities this is an anomalous position which they do not expect to continue in the next few months. They look for a cheapening of both sterling and Canadian dollars.

American authorities look for sterling to rise to par in the United States, however. It is contended that when this has occurred, British authorities will co-operate with the United States in raising prices so that sterling will not continue to advance in the United States. But Walter Runciman speaking for Britain at the World Economic Conference indicated clearly that the British price-raising programme will not be undertaken through public works. There are other means though.

* * *

THE British have repeatedly indicated their sympathy with price-raising. Some commentators now believe that a programme of this kind will only be undertaken when British public sentiment favors it. This would tend to weaken sterling if it occurs. Most of the Dominions want prices raised. Pending a development of this kind no one is certain about the future of exchange. British policies as to prices will bear watching by those dealing in foreign currencies.

FOREIGN EXCHANGE

New York Funds

	High (Premium) %	Low (Premium) %	Last Year High (Premium) %	Last Year Low (Premium) %
July 11 ..	5 3-8	4 3-4	14 7-8	14 1-2
July 12 ..	5 1-4	4 11-16	14 3-4	14 1-4
July 13 ..	5	4 3-4	15 1-4	14 5-8
July 14 ..	5	4 7-8	15 3-8	15 1-8
July 15 ..	5	4 7-8	15 1-2	15
July 17 ..	5	4 1-2	15 5-8	15 1-2

STERLING, FRANCS AND LIRE

Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.526
July 11 ...	4.75	0.559	0.760
July 12 ...	4.74 3-8	0.561 3-4	0.760
July 13 ...	4.76 1-2	0.559	0.760
July 14 ...	4.78	0.561	0.760
July 15 ...	4.78	0.560	0.759
July 17 ...	4.79 5-8	0.563 3-4	0.758 1-2

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.3918	$0.0526
July 11 ..	4.92 3-8	0.0581	0.0790
July 12 ..	5.00	0.0593	0.0803
July 13 ..	5.03 3-8	0.0590	0.0799
July 14 ..	5.02	0.0589	0.0795
July 15 ..	5.0130	0.0588	0.0793
July 17 ..	4.9980	0.0588	0.0791

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
July 11 ...	0.3556	0.2075	0.3161
July 12 ...	0.3615	0.2110	0.3131
July 13 ...	0.3597	0.2102	0.3185
July 14 ..	0.3607	0.2097	0.3185
July 15 ..	0.3602	0.2100	0.3185
July 17 ..	0.3592	0.2093	0.3175

QUALITY ENGRAVING—the Essential Safeguard in Monetary Documents
Over 100 years of dependable service
"They Shall Not Pass"
That is what finely engraved bonds or stock certificates say to counterfeiters.
In effect the certificates are a treaty with the holder. If they cannot resist the invading counterfeiter, the treaty becomes a "scrap of paper" — defeating the whole issue.
Bonds and stock certificates achieved by us are safeguarded by the utmost quality the engraving art affords. They make "they shall not pass" an impregnable command to counterfeiters.
Canadian Bank Note Company
LIMITED
Head Office and Works: OTTAWA
TORONTO — BRANCHES — MONTREAL

Obituary

Harold G. Miller, manager of the Bank of Montreal, Preston, Ont., died recently at Spokane, Wash., while on a vacation tour.

Sidney Stevens, formerly manager at Stanstead, Que., for the Eastern Townships Bank, now merged in the Canadian Bank of Commerce, died recently at Stanstead. Mr. Stevens was manager of the Eastern Townships Bank at Stanstead for 39 years, and was twice mayor.

James H. Morrison, formerly manager at Petitcodiac, N.B., for the former Halifax Banking Co., and for the Canadian Bank of Commerce at Amherst, N.S., Portage La Prairie, Man., and Tilsonburg, Ont., died recently at Moncton, N.B.

Weekly Bank Clearings

	July 13 1933 $	Change year ago %	July 6 1933 $
Toronto	116,622,954	+23.7	135,626,571
Montreal ...	103,399,543	+46.7	112,426,961
Halifax	2,402,058	+11.6	2,608,608
Saint John ..	1,544,232	—0.01	1,935,052
Sherbrooke ..	517,786	—4.7	752,849
Quebec	4,032,335	+6.5	4,820,990
Ottawa	3,950,581	—1.5	4,520,754
Kingston ...	578,309	—7.1	995,327
Peterboro' ..	741,080	+2.5	719,218
Hamilton ...	3,786,705	+11.6	5,167,944
Kitchener ...	908,689	+14.8	921,474
Brantford ...	902,242	+18.7	1,101,586
London	2,239,315	—16.3	2,919,318
Chatham	478,008	+33.6	590,285
Windsor	2,452,755	+11.4	2,579,814
Sarnia	450,754	+3.5	508,268
Sudbury	554,266	+20.7	628,702
Moncton	588,131	—22.8	578,827
Ft. William .	516,959	—6.3	623,040
Winnipeg ...	57,621,832	+66.2	93,152,779
Brandon	325,254	—9.1	439,646
Regina	3,625,161	+58.4	3,478,368
Moose Jaw ..	417,731	+7.5	1,218,749
Pr. Albert .	246,460	+0.3	275,168
Edmonton ..	3,235,642	—16.3	4,082,325
Calgary	6,294,668	+64.3	6,016,024
Medicine Hat	202,220	+25.7	299,672
Lethbridge ..	357,615	+10.5	435,990
N. W'minster	451,684	+1.8	493,946
Vancouver ..	12,168,639	+10.3	15,495,342
Victoria	1,481,982	+7.9	833,231
Saskatoon ..	1,207,149	+2.0	1,431,530

49 Years of Service
STRICT adherence to a policy of sound underwriting and conservative investment since 1884 has enabled this Company to provide adequate protection, unfailing security and prompt, courteous service always.
All reinsurances are effected through Lloyds of London, England. A deposit is maintained with the Dominion Government.
The PORTAGE LA PRAIRIE Mutual Insurance Company
Portage la Prairie, Man.
Est. 1884
Fire - Automobile - Burglary - Windstorm - Plate Glass - Sprinkler Leakage
TORONTO VANCOUVER EDMONTON MONTREAL

1832 1933
Coast to Coast in Canada
NEWFOUNDLAND, JAMAICA, CUBA, PUERTO RICO, DOMINICAN REPUBLIC
NEW YORK, CHICAGO, BOSTON, LONDON, ENGLAND
Stability . . .
TODAY as down through its century of existence The Bank of Nova Scotia offers to sound business the strength of ample resources and the stability of its proven policies.
World-wide facilities in every department of banking
The BANK of NOVA SCOTIA
OVER A CENTURY OF BANKING SERVICE

A. J. Pattison, Jr. & Co. LIMITED
(Established in 1907)
Unlisted Bonds and Stocks
3rd Floor, Royal Bank • Toronto, Can.

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Better General Business Helps Corporation Bonds

Public Utility, Newsprint, Construction and Food Company Liens Hold Advances or Make Gains in Prices During July

Under the influence of improvement in general business conditions, Canadian corporation bonds have been able to increase or sustain price gains since July 1. Bonds which had previously as much as doubled in price have shown no signs of relinquishing their position.

In the last week advances in prices for corporation bonds have been less spectacular than they were a few weeks ago. Nevertheless price decreases are scarce, and where they occur are of small amount.

Public utilities have been a strong feature of the market in July. There are so many of these securities traded in Canada that general strength in them gives the whole market a similar appearance. Beauharnois 6's of 1959, among the utilities, advanced $4½ from a bid price of 50½ on July 11 to 55 on July 18. Quebec Power 5's of 1968 jumped $6 in the week, but were not as active as Beauharnois bonds. Other participants in the rise included Manitoba Power 5½'s of 1951, up $4; Gatineau 5's of 1956, up $2½; Duke Price 6's of 1966, up $2½; McLaren-Quebec 5½'s of 1961, up $2½; Shawinigan 5's of 1970, up $7.

The rise in utility issues is considered due largely to improved general conditions. Increases in power company earnings have not been general, but it is too early yet to tell how the year will finish. Available reports do not come close enough to the present date to show the effects of the change in trend.

Paper Liens

Paper company bonds have maintained their recent bid-price advances in most cases. Price Bros. 6's of 1943 rose $3 last week to $58. Great Lakes 5½'s of 1953 held even. Abitibi 5's of 1953 lost a half point to $31½. Howard Smith 5½'s of 1953 held even.

The outlook for the paper industry is considered by shrewd dealers to depend in no small measure on the industrial recovery programme in the United States where about 70 per cent of our newsprint is sold. It is contended that the Canadian companies will be forced into a reasonable agreement on prices. Otherwise our companies would be interfering with the operations of the American companies. It is considered significant that International Power & Paper Co., the company most frequently accused of fighting other firms in the industry, has been a party to some of the American newsprint control conversations.

Construction issues have been firm and have shown substantial advances in some cases. Between July 11 and 18, the bid price for Gypsum, Lime and Alabastine 5½'s of 1948 rose $4 to $51. Dominion Tar 6's of 1949 were up 3, Canadian Vickers 6's of 1947, up $2, and Canada Cement 5½'s of 1947 also gained slightly.

The rise in construction bonds is assigned to a better outlook for building. Constant mention of national and international public works programmes is also believed to have had an effect. As far as the operations of the industry are concerned, improvement is reported relatively small.

Food Issues Strong

Food liens have been strong. Harris Abattoir 6's of 1947 rose $2 in the week ended July 18, on the strength of call for tenders of $145,000 of the bonds for sinking fund, and on improved conditions in the packing industry. Wm. Davies 6's of 1942 were steady at the recently achieved high bid price, $95. Canadian Canners 6's of 1950 were $4 higher on the bid side at $95. Canada Bread 6's of 1941 advanced $1 to $95. Inventory profits on recent advanced commodity prices are given as the general basis for the increased prices for these issues.

McColl-Frontenac 6's of 1949 rose $1½ in the week on the expectation of better earnings. B. A. Oil convertible 5's of 1945 were up $1 to $99. Earnings of the company are rumored to have been better in the first half of this year than in the same period of 1932. The constant strength of the debentures leads to some speculation as to whether or not the issue may be further increased to pay off bank loans.

Improved wheat prices are considered the chief factor in the rise of Massey-Harris 5½'s of 1947 to $71½. The change in wheat values is considered a strongly favorable factor in connection with the company's millions of accounts receivable.

Trading in C. P. R. 6's

Active trading and wide fluctuations have been characteristic of C. P. R. convertible 6's of 1942. The strength of these bonds is based in part on the strength of the common stock into which they are convertible on a basis of four shares per $100 of bonds. The revenues of the company are showing improvement.

Textile issues have been strong. Bid price of Dominion Textile 6's of 1949 rose $5 in the week ended July 18. Penmans 5½'s of 1951 were also higher. Reports of improvement in sales and bookings have been given in the textile industry. Inventory profits on cotton are also reported.

A representative list of Canadian corporation bonds with changes in price between July 18, July 11 and June 27 are shown below:

Comparative Bid Prices for Representative Canadian Corporation Bonds

	July 18	July 11	June 27
†Abitibi 5s, 53	31½	32½	25
†Acadia Sugar 6s, 46	91	91	89
†Alta. P. Grain 6s, 46	85	85	84
†Am. Sales Bk. 6s. 39	99	100	103
†Beauharnois 6s, 59	55	50½	50½
†Bell Tel. 5s, 55	102½	103¼	106
Br. Am. Oil 5s, 45	99	98	96
†B. C. Power 5½s, 60	94½	93¼	88
†B. C. Tel. 5s, 60	95	94	91
†Calgary Pwr. 5s, 60	86	85½	85
Can. Bread 6s, 41	95	94	92
†Can. Canners 6s, 50	95	91	90
Can. Cement 5½s, 47	80	79¾	75
†Can. Cop. Ref 6s, 45	103	102	106
†Can. N.P. 5s, 53	82½	82	82
C. P. R. 6s, 42	112	113½	104
C. P. R. 4½s, 44	86	86	83½
†Can. S.S. 6s, 41	28½	26½	22
†Can. Vickers 6s, 47	62	60	64
†Wm. Davies 6s, 42	95	95	94
†Dom. Tar 6s, 49	77	74	71
Dom. Textile 6s, 49	103	98	99
†Duke-Price P. 6s, 66	84	81½	78
Eaton Realty 5s, 49	89	86	85
†Fed. Grain 6s, 49	82	84	84½
†Gatineau Pr. 5s.56	83½	81	81
†Gatineau Pr. 6s. 41	73	72	69
†Gen Steel Wrs 6s. 52	62	62	59
†Gr. Lakes Ppr 5½s. 57	34	31	31
†Gyp L & A 5½s. 48	51	47	39
Harris Abat 6s. 47	99	98	97
†MacLaren Q P 5½s 61	84	81½	81
†Man Pwr 5½s. 51	48	44	44
†Massey-H. 5s. 47	71½	70½	64
†McColl-Front 6s. 49	94½	93	93½
Metrop. Bldg 7s. 44	80	85	83
Mtl. Isd. P. 5½s. 57	96	95½	95
†Mtl L H & P 5s. 51	104½	102	103
†Mtl Trams 5s. 41	96	96	96
†Mtl Trams 5s. 55	81	78	78
†N'west Util 7s. 38	99	99	98
†Ott L H & P 5s. 57	95	94	92
†Ott Val P 5½s. 70	99	97	96
†Penmans 5½s. 51	91	90	90
†Price Bros 6s. 43	58	55	50
†Quebec Pr 5s. 68	98	92	90
†Reliance Gr 6s. 48	83	83	84
†Rio Jan Tr 5s. 35	98	98	97½
†Simpsons Ltd 6s. 49	80	80	79
†Shawgn W&P 5s. 70	88	81	83
†Smith, H. 5½s. 53	75	75	76
†Steel of Can 6s. 40	103	103	104
United Gr 5s. 48	85	81½	81
†W Koot Pr 5s. 56	98	97	94
†Winnipeg El 6s. 54	34	34	35

†Payable in Canada and New York.

GOV'T REVISES TAX ON PREMIUM PAID CANADIANS

5% Levy Will Not Apply if Exchange Premium 5% or Less

Canadian Government tax of five per cent on interest and dividends on Canadian securities paid in a foreign currency at a premium will not apply in future where the premium on the foreign currency is five per cent or less. This means that Canadian holders of Canadian securities payable in American funds at five per cent or lower premium will not be liable for the tax. This amendment to the tax has been made by order-in-council, and was necessitated by the recent foreign exchange developments which caused the United States dollar to drop to about a five per cent premium over the Canadian unit.

The exchange rate which will rule on bearer coupons will be that prevailing on the date of presentation for payment. On cheques issued to shareholders or bondholders of record some days before the payment date, the exchange rate will be taken as that of 15 days prior to the date of payment of interest or dividends. This is to allow early issuance of cheques with the tax deducted, if applicable.

Reason for Change

The reason for the change in the tax is that the exchange rate on American funds has recently dropped to less than five per cent premium. If the tax were deducted from payments on this basis, it would reduce the interest or dividend payment to less than the nominal amount payable. In this case holders would not take payment in American funds. The change does not apply to payments to Canadians in sterling at the present rate of exchange (about $5). Sterling payments to Canadians have not been taxable on this basis yet because the pound had not risen to a premium in Canada until recently. But if sterling goes above $5.11 in Canada, the tax will apply.

The five per cent tax was imposed last March and came into effect May 1. It applied to Canadian holders of securities on which American funds could be demanded for interest or dividends at the holder's option. At that time the exchange rate on the United States was varying 10 and 15 per cent. The object of the tax was to produce revenue from an increment accruing to Canadian holders of U. S. payment securities on which a substantial premium was being realized by Canadian investors.

Exports Higher Imports Lower Than Year Ago

Exports of Canadian produce showed a gain of 12.5 per cent in June as compared with the same month of 1932, while the total was also slightly higher than in the previous month. Chief percentage gains compared with a year ago were made by unmanufactured nickel and automobiles and parts, while the export of furs, meats, wood pulp and wheat were also considerably higher.

Greatest declines were recorded by newsprint and planks and boards chiefly owing to lower prices.

Monthly		June, 1933	—Change— From prev. period %	From prev. year %
Exports	$	45,967,773	+0.8	+12.5
Imports	$	33,612,541	+2.1	—17.5
Wheat exp.	bu.	16,998,672	—20.8	+7.2
F. P. Index	No.	81.3	+10.6	+1.5
Sugar output†	lb.	89,254,000	+117.0	+21.1
Weekly*		**July, 1933**		
Carloadings	No.	40,469	+14.7	+3.6
Hog sales	No.	15,122	—20.3	—31.0
Cattle sales	No.	10,492	+3.8	—3.8

*Weeks end. July 8, 13 and 13 respectively.
†Four weeks ended June 17.

Montreal, Toronto and Curb Markets

WEEK ENDING JULY 17

Range 1933 High	Low	Divd. Rate	Yield % July 15		Sales	Close July 10 (or last)	Week Ending July 17— High	Low	Close
[illegible]									

x Quotations for 1932. [illegible] No sales recorded in 1933 to date. † Quotations for 1931. ‡ Quotations for 1930. § New York Quotations. * Stock dividend. [illegible] Plus final dividend of 17½c, paid Mar. 31. [illegible] Covers payment [illegible] 1st and deferred; paid Mar. 15. [illegible] See "Unlisted Stocks" [illegible]. ‖ On arrears.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
July 18, 1933

Industrial Bonds:	Bid	Asked
Abitibi P. & P. 5% 1953	29.25	31.25
Acadia Sugar 6% 1946	90.00	93.50
Alta. Pac. Grain 6% 1946	83.00	87.00
American Sales Book 6% 1939	99.00	....
B. A. Oil 5% 1945	99.00	101.50
Can. Biscuit 6½% 1946	28.00	33.00
Can. Bread 6% 1941	95.00	97.00
Can. Cement 5½% 1947	80.50	....
Can. Steamship 6% 1941	28.50	....
Can. Bakeries 6½% 1945	60.00	70.00
Can Canners 6% 1950	94.00	98.00
Can. Copper Refin. 6% 1945	101.00	105.00
Can. Cottons 5% 1940	88.50	92.50
Can. Vickers 6% 1947	62.50	....
Cons. Invest. 4½% 1959	56.00	57.50
Cosmos Imp. Mills 6½% 1944	85.00	90.00
Davies, Wm. 6% 1942	96.25	100.00
Debenture & Sec. 4% 1936	65.00	....
Dom. Manufacturers 6% 1933	96.25	....
Dom. Tar & Chemical 6% 1949	76.00	78.50
Dom. Telegraph 5½% 1978 "A"	89.00	....
Dom. Textile 6% 1949	101.00	....
Dom. Woollens 6% 1948	29.00	....
Donnacona Paper 5½% 1948	29.50	....
Eaton Realty 5% 1949	89.00	....
Famous Players 6% 1948	80.00	....
Federal Grain 6% 1949	81.50	85.50
Firestone Tire 7% 1937	103.00	....
Fraser Cos. 6% 1932	28.00	....
Fraser Cos. 6% 1950	27.00	....
Galt Brass 7½% 1941	20.00	....
Goodyear Cotton 6% 1949	100.00	103.00
Great Lakes Paper 6% 1950	34.00	35.00
Gypsum, Lime & Alab. 5½% 1948	54.00	55.25
Harris Abattoir 6% 1947	99.00	103.00
Howard Smith 5½% 1953	75.00	77.00
Loew's Toronto 6% Serial	100.00	....
London Realty 6½% 1950	43.50	....
Maple Leaf Milling 5½% 1949	61.50	63.25
Massey-Harris 5% 1947	71.50	73.50
McColl-Frontenac 6% 1949	94.00	95.50
McKinnon Industries 6½% 1945	95.00	....
Mercury Mills 5½% 1953	49.50	....
Metropolitan Bldg. 7% 1944	85.00	90.00
Northern Ontario Bldg. 6½% 1939	65.00	....
Price Bros. 6% 1943	61.00	65.00
Richmond-Bay 6½% 1947	62.00	....
Simpsons Ltd. 5½% 1949	75.50	....
Simpsons Ltd. 6% 1949	80.50	....
Steel of Canada 6% 1940	103.25	105.00
Stop & Shop 6% 1947	61.00	....
Toronto Carpet 6% 1944	78.50	....
United Gas & Fuel 5½% 1948	71.00	....
United Grain Growers 5% 1948	81.00	83.50
United Grain Growers 5½% 1949	83.00	86.50
Wabasso Cotton 7% 1942	63.00	....
Western Grain 6% 1949	71.00	75.50
Public Utility Bonds:		
Bell Telephone 5% 1955	102.50	
Bell Telephone 1957	102.25	....
B. C. Power 5½% 1960	94.25	96.25
B. C. Telephone 5% 1960	94.00	97.00
Calgary Power 5% 1960	86.00	....
Can. Northern Pwr. 5% 1953	77.50	80.50
Duke-Price Pwr. 6% 1966	80.00	81.50
French Nat'l Mail S.S. 1952	115.00	120.00
Gatineau Pwr. 6% 1941 "A"	73.00	75.00
Gatineau Pwr. 5% 1956	82.75	84.00
Maclaren Quebec 5½% 1961	84.00	85.50
Manitoba Power 5½% 1951	47.50	52.50
Montreal Isl. Pwr. 5½% 1957	95.00	....
Montreal LH&P 5% 1951	102.00	105.00
Montreal LH&P 5% 1970	101.50	104.00
Montreal Tram 5% 1941 July	96.00	98.00
Montreal Tram 5% 1955	78.00	80.00
Northwest. Utilities 7% 1938	99.00	101.00
Ottawa Valley Pwr. 5½% 1970	99.00	....
Quebec Power 5% 1968	97.50	....
Rio Tramways 5% 1935	98.00	100.50
Shawinigan W & P 4½% 1970	83.25	....
Shawinigan W & P 5% 1970	88.50	....
Shawinigan W & P 6% 1937	93.00	....
Southern Can. Pwr. 5% 1955	97.00	....
West Kootenay Pwr. 5% 1956	98.50	....
Government, Provincial & Railway:		
C. N. R. 4½% 1951 Dom. Gtd.	100.00	101.50
C. N. R. 4½% 1957 Dom. Gtd.	100.00	100.75
C. N. R. 5% 1969 Dom. Gtd.	106.00	107.00
C. P. R. 4½% 1944	86.00	87.25
C. P. R. 6% 1942	112.25	114.25
Dom. of Can. 5% 1936	102.75	103.25
Dom. of Can. 5% 1941	103.50	104.00
G. T. P. 3% 1962 Dom. Gtd.	81.50	82.25
G. T. P. 4% 1962 Dom. Gtd.	94.75	96.00
Ont. Hydro 3½% 1952 Ont. Gtd.	91.50	92.50
Ont. Hydro 4¾% 1970 Ont. Gtd.	100.00	101.25
Ont. Hydro 4% 1957 Ont. Gtd.	92.25	93.50
Prov. of N B. 5% 1957	99.50	100.75
Prov. of Ont. 5½% 1947	107.25	108.00
Prov. of Ont. 5% 1948	103.50	104.50
Prov. of Ont. 5½% 1946	107.00	108.00

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.
July 18, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Oct.	89.00	5.29
Alberta	5	1 July, 1943	1 Jan.	96.50	5.45
Alberta	6	1 Mar., 1947	1 Sept.	103.00	5.69
*British Columbia	4½	1 Oct., 1953	1 Oct.	89.00	5.40
*British Columbia	5	15 Jan., 1948	15 Jan.	96.00	5.40
British Columbia	6	15 Feb., 1947	15 Aug.	103.00	5.69
Manitoba	4	1 July, 1947	1 Jan.	83.00	5.79
*Manitoba	5	2 Dec., 1959	2 Dec.	95.00	5.35
Manitoba	6	1 Apr., 1947	1 Oct.	101.00	5.89
*New Brunswick	4	1 June, 1948	1 Dec	92.00	4.75
*New Brunswick	4½	15 June, 1936	15 Dec.	100.00	4.75
New Brunswick	5½	1 May, 1950	1 Nov.	106.00	4.97
*Nova Scotia	4½	15 Nov., 1948	15 Nov.	99.75	4.52
Nova Scotia	5	1 May, 1943	1 Nov.	102.00	4.75
*Ontario	4½	1 Sept. 1944	1 Sept.	101.50	4.33
Ontario	5	15 Oct., 1948	15 Oct.	104.75	4.57
Ontario	5½	1 Feb., 1947	1 Aug.	108.25	4.69
P. E. I.	4	1 Apr., 1939	1 Oct.	95.60	4.85
P. E. I.	6	1 May, 1947	1 Nov.	111.05	4.90
*Quebec	4½	1 May, 1961	1 Nov.	102.00	4.13
*Saskatchewan	4½	1 Sept., 1955	1 Sept.	87.00	5.52
*Saskatchewan	5	1 Nov., 1959	1 Nov.	92.50	5.54
Saskatchewan	6	15 Mar., 1952	15 Sept.	100.50	5.95
*Newfoundland	5	31 Dec., 1952	31 Dec.	77.00	7.22
*Newfoundland	5½	1 July, 1939	1 Jan.	78.00	10.54
*Newfoundland	6½	30 June, 1936	31 Dec.	87.00	11.76
Cities					
*Montreal	5	1 Sept., 1963	1 Sept.	104.00	4.75
*Toronto	4½	1 Jan., 1955	1 Jan.	100.00	4.50
*Vancouver	5	15 Jan., 1970	15 Jan.	88.60	5.75
Winnipeg	5	1 Mar., 1944	1 Sept.	92.00	6.00
*Edmonton	5½	1 Apr., 1947	1 Oct.	90.00	6.60
Calgary	5	1 Jan., 1948	1 Jan.	87.87	6.75
Halifax	6	1 July, 1951	1 Jan.	114.35	4.80
Saint John	5	15 Dec., 1950	15 Dec.	102.35	4.80
Regina	4½	1 July, 1950	1 Jan.	77.10	6.75
Victoria	5	21 July, 1945	21 July	92.34	5.90
Quebec	5	1 June, 1948	1 Dec.	101.00	4.90

*Payable in New York.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Beatty Bros., pref	6%	1½%	Aug. 1	July 15
Belding Corticelli c.	$4	$1	Aug 1	July 15
Can. Northern Pr.	80c	20c	July 25	June 30
Can. Converters	$2	50c	Aug 15	July 31
Can. Dredge, pref	7%	1¾%	Aug. 1	July 21
Can Industries "A" & "B"	$3.50	87½c	July 31	June 30
Can. Bronze	60c	15c	Aug. 1	July 20
Do., pref.	$7	$1.75	Aug. 1	July 20
Calgary Power pref.	$6	$1.50	Aug. 1	July 15
Can. Southern Rly. c	$3	$1.50	Aug. 1	June 30
Dominion Bridge	$2	50c	Aug. 15	July 31
Do.	...	50c	Nov. 15	Oct. 31
Dom. Scottish Inv. pref.	$1	25c	Aug. 1	July 20
East. Theatres, pref.	$7	$3.50	July 31	June 30
Do., com.	$2	50c	Sept. 1	July 31
Guelph Carpet pref.	$6.50	$1.62½	Aug. 1	July 20
Humberstone Shoe	$2	50c	Aug. 1	July 12
Inter. Nickel, pref.	7%	1¾%	Aug. 1	July 3
Imperial Bank	$10	$2.50	Aug. 1	June 30
Loblaw Groceterias A & B	80c	20c	Sept. 1	Aug. 12
McIntyre Mines	$1	25c	Sept. 1	Aug. 1
Do., extra	50c	12½c	Sept. 1	Aug. 1
Do., extra	...	12½c	Sept. 1	Aug. 1
Montreal L. H. & P.	$1.50	38c	July 31	June 30
Northern Ont Power	$2	50c	July 25	June 30
Do., pref	$6	$1.50	July 25	June 30
National Biscuit pref.	$7	$1.75	Aug. 31	Aug. 15
Penmans	$3	75c	Aug 15	Aug. 5
Do., pref	$6	$1.50	Aug. 1	July 21
Royal Bank	8%	2%	Sept. 1	July 31
Shawinigan W. & Pr.	50c	13c	Aug. 15	July 24
Steel of Canada	$1.20	30c	Aug. 1	July 7
Do., pref.	$1.75	43¾c	Aug. 1	July 7
St Law. Flour	$1.50	37½c	Aug. 1	July 20
Do pref.	7%	1¾%	Aug. 1	July 20
Southern Can. Power c.	$1	25c	Aug. 15	July 31
Sterling Pacific Oil interim	...	3c	Aug. 1	July 15
Teck Hughes	60c	15c	Aug. 1	July 13
Weston, pref.	7%	1¾%	Aug. 1	July 20

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
July 18, 1933

Industrial Stocks	Bid	Asked
Acadia Sugar c.	.90	....
Acadia Sugar 6% Pfd.	3.90	....
Acme Farmers Dairy 7% Pfd.	60.00	....
Acme Glove Pfd. bonus c.	7.50	....
Agnew Surpass 7% Pfd.	60.50	68.00
Allens London 7% Pfd. bonus c.	33.50	....
Allens St. Cath. 7% Pfd. bonus c.	33.50	....
Allens Toronto 7% Pfd. bonus c.	21.00	....
Andian National Corp. U. S. Fds.	28.50	31.50
Atlantic Sugar "A" Pfd.	80.00	89.00
B. C. Pulp & Paper Pfd.	6.25	10.00
Burns Pfd. bonus com.	10.00	15.00
Canada & Dom. Sugar	32.50	34.00
Canada Mach. c.	4.25	6.25
Canada Mach. Pfd.	20.00	....
Canada Packers c.	32.50	34.00
Canada Pack. Pfd.	99.50	102.00
Canada Starch 7% Pfd.	63.00	....
Canada Tea 7% Pfd.	46.00	60.00
Canada Wire & Cable 6½% Pfd. W.W.	62.00	....
Can. Industries c. "A"	103.00	....
Can. Industries c. "B"	101.50	105.00
Can. Industries 7% Pfd.	119.00	122.00
Can. Westing.	51.00	56.00
Chase, A. W. Pfd. bonus c.	....	9.00
Claude Neon Gen. Adv. Units	....	7.00
Dodge Mfg. "A" Pfd.	....	7.00
Dom. Foundries & Steel 8% Pfd.	46.00	51.00
Dom. Foundries & Steel c.	5.50	7.50
Dom. Mfrs. 7% Pfd.	65.00	....
Dunlop Tire 7% Pfd.	48.00	....
Eastern Dairies Ltd. 7% Pfd.	25.00	30.50
Edmonton Stockyards Units	39.00	52.00
Federal Grain c.	2.50	....
Federal Grain 6½% Pfd.	30.00	36.00
A. J. Freiman Pfd.	55.00	60.00
Gen. Steel Wares Pfd.	16.50	18.50
Goderich Elevator & Transit	6.50	7.50
Greening Wire 7% Pfd.	52.00	....
Guelph Carpet 6½% Pfd. bonus	63.50	70.00
Guelph Carpet c.	6.00	....
Inter City Baking com.	15.00	....
Inter. Proprietaries "A"	29.50	31.00
Langleys Ltd. 7% Pfd.	34.00	37.50
Loew's London c.	.30	.80
Loew's London 7% Pfd.	3.00	4.00
Loew's Toronto 7% Pfd.	45.00	....
Massey Harris 5% Pfd.	27.50	....
Medical Arts Pfd. bonus c.	97.50	....
Mount Royal Hotel com.	.25	.80
Mount Royal Hotel 6% Pfd.	3.00	4.50
National Grocers com.	1.70	2.25
National Grocers 7% 2nd Pfd.	80.00	....
Ont. Silknit Pfd.	39.00	44.00
Paramount Kitchener Pfd.	29.00	....
Paramount Oshawa com.	2.25	....
Paramount Oshawa Pfd.	33.50	....
Provincial Paper 7% Pfd.	59.00	62.00
Reliance Grain 6½% Pfd.	55.00	....
Rolland Paper 6% Pfd. WW	42.00	....
Serv. Stations "A" Pfd.	39.00	....
Standard Clay Products com.	....	15.25
Supersilk Pfd. bonus	31.25	....

Ind. Stock cont'd.	Bid	Asked
Supert. Pet. "B"	19.00	23.00
Standard Fuel 6½% Pfd. bonus	66.00	....
Toronto Elevators 7% Pfd.	92.00	95.00
United Corpns. Ltd. "A"	1.25	....
Un. Grain Growers	14.25	15.50
Western Grain 6½% Pfd. bonus	18.00	20.00
Western Gro. Pfd.	72.00	....
Insurance Stocks:		
Brit. America As.	25.00	
Canada Life As.	396.00	425.00
Canadian Fire Ins.	51.00	58.00
Confederation Life 20% pd.	120.00	125.00
Continental Life 20% pd.	39.00	44.00
Crown Life Ins.	95.00%	110.00%
Dominion Fire In.	85.25	....
Dom. of Can. Gen. Ins.	90.50	100.00
Dominion Life 50% pd.	141.00	....
Empire Life 25% pd.	8.75	12.00
Excelsior Life 30% pd.	70.00	....
Great West Life Assce.	266.00	300.00
Guarantee Co. of N. A.	246.50	....
Imperial Life	271.00	....
Manu. Life Ins.	250.00	....
Monarch Life 10% pd.	16.00	....
National Life 25% pd.	55.50	65.00
Saskatchewan Life 10% pd.	7.00	11.50
Soverign Life 25% pd.	18.50	....
Sun Life Assur.	550.00	....
West. Assur. Com.	14.00	18.50
West. Life 20% pd.	8.00	11.50
Trust & Loan Stocks:		
British Mortgage & Trust	150.00	160.00
Can. Gen. Invest. Ltd.	5.40	5.63
Can. Invest. Corp.	5.50	6.50
Chartered Trust	55.25	....
Debenture & Sec. 5% Pfd.	16.00	....
Eastern Can. Sav. & Loan	110.00	116.00
Eastern Trust	135.00	145.50
Guelph & Ont. Inv. par $50	47.00	51.00
Investment Foundation Units	32.00	36.00
Lambton Loan & Savings	51.00	58.00
London & Western Trust	....	51.00
Mortgage Discount Pfd.	1.45	2.25
Premier Trust	85.00	....
Provincial Bank	84.00	89.00
Security Loan & Savings	100.50	....
Sherbrooke Trust	100.00	110.00
Sterling Trust	....	45.00
Traders Finance c.	.70	....
Traders Finance 7% "A" Pfd.	28.00	....
Trusts & Guaran.	30.50	....
Victoria Trust & Savings	130.00	140.00
Waterloo Trust & Savings	90.00	100.00
Dominion & Anglo Invest. Unit	200.00	....
Power Issues:		
B.C. Elect. Pwr. & Gas. Pfd.	94.75	96.50
Calgary Power 6% Pfd.	79.00	82.00
Can. Light & Power com.	22.50	26.00
Can. West. Nat. Gas L. H. & P. Pfd.	78.00	82.00
Maritime Tel & Tel. com.	7.25	8.25
Maritime Tel. & Tel. 7% Pfd.	10.50	11.50
N. B. Tel. com.	7.00	8.50
Nova Scotia L. & P. com.	25.50	30.00
Nova Scotia L. & P. 6% Pfd.	73.25	....
Recent London Quotations:		
Brewers & Distillers		8s. 3d.
Can. & For. Secs.		3s. 6d.
Can. West. Lumber		1s. 3d.
Hudson's Bay		26s. 3d.
Do., 5% pref.		87s. 6d.
Internat. Holdings		$3
Nfld. Pr. & Pap. deb. stock "B"		88½
Trust & Loan of Can.		3s. 1½d.

Listed Bond Quotations

Week Ending July 17, 1933

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Low
Abitibi, 1st mtge.§	5	1953	...	32	...	...	18	13
Asbestos	5	1942	...	21¼	...	...	*65½	49
Asbestos, 1st mtge	6	1941	...	5¼	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	...	...	...	...	62	...
Can. Cottons	5	1940	8.11	...	...	...	84¾	...
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Pr. (Laur.)	5½	1958	...	6	...	...	3	3
Do., (Way. Ser.)	5½	1958	...	6	...	...	*28½	5¼
Can. S.S. Debs.	5	1943	...	68	...	...	*83½	...
Cedar Rapids	5	1953	...	...	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	3.00	...	...	2.50	1.00
Mex. L. & Pr.	5	1940	...	55	...	...	*73½	70½
Mtl. L.H.&Pr. debs.	3	1939	...	47	47¼	46½	47½	39¼
Mont. Tr. 1st mtg.§	5	1941	5.42	...	97½	...	98½	95¼
Mont. Trams. A§	5	1955	6.97	81	...	...	79½	58
Do., G. & Ref. B	5	1955	7.47	...	...	...	73½	...
Do., C	4½	1955	9.03	...	...	...	57	57
Do., D	5	1955	6.86	...	...	...	77¼	76½
N. S. Steel	5	1959	...	†78	...	...	*62½	59
Ontario Steel	6	1943	...	...	...	...	80	...
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	103	...	...	*102¼	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	70	...	...	*86	...
Toronto								
Canada Bread	6	1941	...	...	...	...	*101¼	100
Steel of Canada	6	1940	...	...	...	...	*102½	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	2.90	106.00	....	....	116.25	114.25
Victory Loan	5½	1933	4.05	100.10	....	....	100.75	100.00
Do.	5½	1934	4.20	101.00	....	....	102.60	101.15
Do.	5½	1937	3.10	103.25	....	....	110.25	109.25
Do., refund	4½	1940	4.26	100.75	....	....	101.25	99.70
Do., refund	5	1943	4.55	103.25	....	....	103.37	101.85
Do., refund	4½	1944	4.47	100.50	100.25	....	100.50	98.75
Do., refund	4½	1946	4.38	100.50	....	....	*92.25	91.50
Do., renewal	4	1952	4.42	94.75	....	....	95.25	91.63
Conversion Loan	4½	1956	4.11	....	....	....	98.50	97.00
Do.	4½	1957	4.56	99.75	....	....	99.00	96.00
Do.	4½	1958	4.53	99.75	....	....	99.58	97.75
Do.	4½	1959	4.46	100.75	100.50	....	100.87	97.50
Nat. Service Loan	5	1936	3.94	102.75	....	....	103.25	101.50
Do.	5	1941	4.46	103.25	....	....	103.75	100.75
Dom. Loan	4	1935	3.90	99.75	....	....	99.75	99.75

†Latest ask. ‡Quotations for 1930. *For 1931. *For 1932. None recorded in 1933 to date. §Payable in Canada and New York.

Winnipeg Stock Exchange

(Transactions for week to July 15)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close July 15
..	..	Amulet	1,000	.45	.45	.45
4	7.3	Can. Fire Insur.	100	55	55	55
..	..	Can. Pac. Rly.	20	20¼	20¼	20¼
..	..	Central Manitoba	600	.13	.11	.11
20	6.7	Great West Life	5	300	300	300
..	..	Hudson Bay Mining	20	10.25	10.25	10.25
35c	..	North Star Oil, pfd.	25	2.50	2.50	2.50
..	..	Pelissiers, pref.	4	15	15	15
..	..	Stadacona	1,000	.04¾	.04¾	.04¾
1.25	8.7	United Grain Grow.	10	14¼	14	14¼
..	..	Western Grocers, c.	50	16	16	16

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Lumber c.	4½	½	Pelissiers, com.	¼	½
Beaver Fire	..	100	Reliance Grain pfd.	55	..
City Dairy 7% pf.	..	35	Sovereign Life	15½	..
City Dairy 8% pf	..	40	Traders Bldg.	66	..
Cres. Creamery pf.	30	40	Can. Amer. Tr. shs.	..	3¼
Monarch Life	15	..	Fundamental Ser. A	..	5¼
Nor. Mtg. part pd.	..	5	Fundamental Ser. B	..	5¼
Northern Trust	15	19	Group. Income Shs.	..	5.30

*Stocks more active on other exchanges not included.

AMULREE REPORT EXPECTED SHORTLY

British M. P.'s Told Canada Cannot Aid Newfoundland

Interim report of the Royal Commission, investigating the financial position of Newfoundland, may be expected soon, according to an announcement made in the House of Commons in London on June 28, during the debate on the proposal to loan £400,000 to the Government of Newfoundland for the purpose of paying interest on its internal debt.

It was explained that a loan had been made in December in order to give time for examination of the position without default and it was argued that it would be ridiculous to allow default now simply because the report was not ready owing to the Commission having had to pursue investigations in Canada.

Lord Amulree, chairman of the Commission, was stated to be leaving for England about the middle of July and the government promised to publish his report as soon as possible.

Refusal of the Canadian government to co-operate in making the loan to Newfoundland for external debt interest purposes, as had been done in December, was attributed by the British government to the worsening of conditions in Canada.

Admit Pound at $4.87 Though Value Over $5.00

Official announcement that the Dominion Government has decided to admit British goods at $4.87 to the pound, regardless of the fact that sterling is now at a premium was made on July 19.

Difficulty had been experienced in reaching a definite decision on this matter, however, as the Prime Minister, the Minister of Finance, and the Minister of National Revenue are all in London, England.

Canadian Cottons Co. Operate Unit Full Time

From Our Own Correspondent

MONTREAL. — Canadian Cottons Co. has added 30 men to the payroll of the Hamilton plant and opened a night shift, bringing the plant to full capacity production. Employment at the company's other mills has been stepped up and production lately has been on a much wider scale than hitherto prevailing.

MOSS MINES DEBT REPORTED $198,812 IS TO REORGANIZE

Present Management Try to Put Company on Profitable Basis

Shareholders of Moss Gold Mines are in receipt of notice of a special general meeting, to be held in Montreal July 28, to approve of a reorganization of the company. The first intimation that all was not well internally with the company appeared in The Financial Post, January 28, 1933.

Supplementing the financial statement presented at the annual meeting on April 27, another statement has been issued covering the operations of the company to May 31, which shows current liabilities of $76,177. In addition there are deferred loans totalling with interest $96,885 and property purchase obligations of $25,750. Current assets total $63,179, including 6,029 cash, $27,687 in supplies and $29,463 in bullion. Production from the commencement of operations in April, 1932, to March 31, 1933, was valued at $267,381, while total costs were $307,823.

The plan of reorganization calls for reducing the present $4,000,000 capitalization in $1 par value shares, to 1,000,000 shares of no par value, presumably to permit a distribution of new shares to existing shareholders on the basis of one new for each four shares held. The capitalization is then to be increased to make available 2,250,000 treasury shares.

In addition there are to be created $300,000 in 10-year, six per cent, cumulative income notes.

The purpose of these notes is not made clear. Presumably a part are to be used to finance new work planned. Whether part are to be used to settle advances made by interests closely connected with the company is not certain. If such is the case it means that these creditors will be transferred from common ranks to a preferred list.

Norman R. Fisher, former president and managing director of the company and responsible for the organization of the company, was succeeded in office at the annual meeting by C. G. Greenshields, as president and by R. W. Howe, consulting engineer in charge of the property. An effort is being made to pull the company through and make it a profitable undertaking. To this end plans are being considered for altering the present plant layout and extending the development programme, which includes sinking the main shaft to the 1,000 ft. horizon.

It is estimated that shaft sinking will involve an expenditure of $15,000. Expenditures in June were $8,000 in excess of receipts.

Market Manoeuvres

ELDORADO

A New York banker with a Harvard acquired accent recently described the huge turnover in securities as a "bober's (barber's) market," the inference being that the big market operators and manipulators were passing wildcat holdings to the public that only knew that the market pot was boiling, that certain shares were zooming upward and wanted to sit in on the party.

The thriller handed the board room frequenters this week was Eldorado Gold Mines. From Saturday to Monday there was a market appreciation in the shares of some $10,000,000 represented by a low price on Saturday last of $4.80 and a high of $8.10 on Monday. This is the all-time high for the shares and represents an advance from the low point this year of $1.30 per share on April 1 (April Fool's Day).

Report Coming

Who the unnamed New York and Canadian financial group are that took the last 100,000 shares of Eldorado's treasury stock is shrouded in mystery, but if they handed the Canadian speculator their holdings at Monday's price of $8.10 they made a cool $500,000 for their week's work.

Until recently it has been asserted as against the policy of Eldorado to have a qualified engineer or geologist report in detail on the company's showings, and shareholders have had no detailed report on which they might base the company's potentialities. The reaction following the forthcoming report of F. D. Reid will be watched with avidity. Mr. Reid is regarded as one of Canada's best informed engineers on the subject of silver, and his leaving for Eldorado property at Great Bear Lake last week presages a comprehensive and an authentic appraisal of what the future has in store for Eldorado shareholders.

One astute investor commented that this week's spectacular market play in Eldorado was well timed in preceding Mr. Reid's report.

GOLD

With the gold producers in the United States restricted to $20.67 per ounce for their product, the substantial market move this week in such United States gold stocks as Homestake and Alaska Juneau, reverses the old order of market trends and has the New York listings following the lead of the Canadian gold stocks. Some see in this advance the possibility of the United States lifting the embargo on the marketing of its gold production and permitting its producers enjoying the world price—over $30 per ounce. What effect the dumping of United States gold production in the free world market will have is not certain, but since its output is less than Canada's and only about 10 per cent of the world total, the effect is not viewed with alarm.

Copper Refinery Building In Northern Rhodesia

News of interest to Canadians is the announcement of the Rhokana Corp., one of the potentially large copper producers of Northern Rhodesia, to the effect that an electrolytic copper refinery is to be constructed at once at the company's N'Kana property in Northern Rhodesia. The capacity will be 36,500 short tons annually and production is planned to start the middle of 1934.

Beaver Silver Mines—Developing a silver-lead property, four miles from Beaverdell, B.C., company reports 50 ft. in, the vein shows a width of 18 inches with assays as high as 575 oz. of silver to the ton.

* * *

Bobjo Mines—Work is aggressively under way at this pioneer find in the God's Lake area of Manitoba. The 23rd diamond drill hole just completed on the Akers claim—regarded as the most promising—shows values of $11.20 per ton. No. 22 hole gave $6.20 over a width of 10 feet 1 in.

* * *

Bulolo Gold Dredging—Operations at the company's property in New Guinea have reached a profitable stage and about 50 cents per share dividend is expected to be paid before the end of 1933. It operates under a B. C. charter.

* * *

Bunker Hill Extension Mines—Report says company is to distribute its holdings of some 350,000 shares of Toburn Gold Mines on the basis of one Toburn to each ten Bunker Hill Extension shares held, as soon as arrangements can be completed. The company has some 30,000 shares of McVittie-Graham Mines as well as some money in its treasury.

* * *

Coniagas Mines—The first deep diamond drill hole to the 500-ft. horizon has just been started on the Michael-Boyle claims in the Michipicoten area, Ontario, under option to the company. Shallow drilling over a length of 1,300 feet gave an average value of $7 per ton in gold for 4 2/3 ft. width.

* * *

Dorval-Siscoe Gold Mines — Adjacent to the Siscoe Gold Mines in Northwestern Ontario has completed its diamond-drilling programme of six holes with satisfactory results respecting geology and assays. American capital is reported interested in financing.

* * *

Goodfish Gold Mines — Directors met July 11 to consider refinancing development work at the company's property in Morrisette township, just north of Kirkland Lake area.

* * *

Granada Gold Mines—Transfer of its claim in the God's Lake area, Manitoba, is announced to a newly formed subsidiary, Garry Gold Mines, Ltd., an Ontario incorporation with a capitalization of $4,000,000 in $1 par value shares. Granada is to receive 2,000,000 shares in the new company. Exploration is already under way. Rights to shareholders will partially finance the work. One group adjoins the Akers group of Bobjo Mines.

Production in June was the second largest in the company's three years' operations, the value, including exchange, being about $30,000. A new incline shaft to the 1,320-ft. horizon has just been put into operation and will facilitate exploration at depth without interfering with production. This shaft is in the footwall of No. 7 vein which averages 18 to 30 inches in width.

* * *

Hollinger Consolidated Gold Mines—Reports say the company has dropped its option on the Woods property in the Tiblemont township, Quebec, as not being sufficiently attractive.

* * *

Horseshoe Mines — An early producer in the Lake of the Woods district of Ontario, which is being refinanced through Draper, Dobie & Co., is sinking an incline winze for 250 feet on an ore shoot in the No. 3 vein from the ninth level. New levels at 125-ft. intervals will be opened up and a raise made connecting with the existing production shaft. This preliminary programme is expected to be completed in four months' time and if successful in extending the known ore zone, a mill rehabilitation programme will be started with a view to production. George Miller is in charge of operations and $25,000 is called for, for the preliminary programme and a further $30,000 for putting the property into production. Some 30,000 tons of tailings assaying $4 per ton can be reclaimed from old operations.

* * *

Howey Gold Mines — Production valued at $279,000 is reported for the three months ended June 30, as compared with $282,000 in the first quarter of 1933. Tons treated declined (The Financial Post, June 10) to 81,130 tons in the period as compared with 87,211 tons in the first quarter. Interruption in production while changing the mill layout over to higher capacity which will bring it to 1,300 tons daily this fall, is the explanation for the lower output. Net profit per ton in the second quarter of 1932 is reported at $1.15 cents per ton.

* * *

Lake Geneva Mining Co.—Meeting July 8, shareholders approved the issue of some 50,000 treasury shares at 30 cents to finance the re-opening of the company's property for production in the Sudbury district when lead-zinc prices become stabilized that will ensure a profit.

* * *

Malrobic Mines — Reports finances arranged for re-opening its Robb-Dean claims in Malartic township, Quebec.

* * *

Miller Independence Mines — New life has been put into this old property south of Kirkland Lake by merging the adjoining Allied Mines and arranging for funds that will permit development work being resumed.

* * *

Noble Five Mines — Following the Juno vein at its optioned property at Nelson on the first level shows 180 feet averaging 2½ feet in width with values of $20 per ton. Last work indicated greater widths and better values.

* * *

Premier Border Gold Mines—Work at this property adjoining the Sebakey and Premier Mines in the Portland Canal district, is to be resumed and 1,000 feet of diamond drilling has been contracted for to explore a section intervening between the Premier Border's main adit and the Sebakey claims. About $12,000 is in the company's treasury.

* * *

Pioneer Gold Mines of B. C.—Production valued at $1,175,250 is reported for the six months ended June 30, 1933—more than the total production in 1932. Operating costs are estimated at about $300,000 indicating a net profit for the six months' period of $875,000 before taxes and depreciation or about 50 cents per share.

* * *

Royalite Oil Co. — Supplementary letters patent have been granted doubling the authorized capitalization to 1,000,000 shares of no par value. The increase is to facilitate the purchase of the Mayland Oil Co. on the basis of one Royalite share for each 12 Mayland shares, approved on June 22.

* * *

Stadacona—Rouyn Mines—Diamond drilling its property at Pelletier Lake, Rouyn township, reports encouragement to the extent that an enlarged development programme has been financed.

* * *

Waterloo Gold Mines—Says the Investor's Chronicle, London, England, is being sold by B. C. Investments Ltd., London, at 22s. 6d. per share. This British Columbia prospect optioned 1,250,000 shares at $125,000. Napoleon also had cause to remember Waterloo.

* * *

Malrobic Mines — The company's consulting engineer expects to have his complete report available in a few days which will include a confirmatory diamond drilling programme.

Mining Stock Quotations

Week Ending July 17.

Par Val.	Range 1933 High	Low	Company	Sales	Close July 10 (or last)	High for week	Low for week	Close July 17
1	.05	.03	Abana	....	.03	....	....	....
1	.02½	.00½	Aconda	19,600	.01½	.02½	.01½	.02½
No	.20	.03	Aldermac	4	.16	.10	.10	.10
1	.03½	.01	Alexandria	279,900	.02½	.03½	.02½	.03½
No	.06	.02	Algoma	524,500	.02½	.06	.02½	.05½
1	.01½	.00½	Algonquin	58,500	.00½	.01	.00½	.00½
1	.06	.00½	Amity C.	172,500	.02½	.04½	.02½	.03½
No	.61	.10	Amulet	185,626	.44	.61	.43	.60
1	.01	.00½	Apex	....	....	....	....	....
1	.05	.02	Area	19,100	.04	.04½	.04	.04½
No	.04½	.01½	Arno	165,700	.03	.03½	.02½	.03
1	1.36	.74	Ashley	1,815	1.20	1.20	1.15	1.20
1	.14	.02½	Bagamac	27,500	.05½	.07	.05½	.07
1	.03	.00½	Baldwin	19,000	.01½	.01½	.01	.01½
1	.20	.08	Barry Hollinger	33,750	.10½	.11	.10	.10½
1	2.45	.75	Base Metals	30,130	2.26	2.35	2.20	2.33
No	1.00	.98	Beattie	....	.98	....	....	....
1	.40½	.08	Big Missouri	75,775	.20	.27	.19	.24
1	.27½	.08½	Bobjo	85,650	.24½	.25	.21	.23
No	9.40	2.28	Bralorne	8,933	8.10	9.40	7.90	9.25
1	.25	.15	Brett Trethewey	7,100	.20	.22	.20	.21
1	.07½	.01½	Brownlee	94,200	.04½	.04½	.04	.04½
1	.02½	.00½	Buckingham	12,500	.01½	.01½	.01	.01½
No	.04½	.01	Buffalo Can.	7,000	.03	.03	.03	.03
5	18.00	15.60	Bulolo	275	17.90	17.90	17.00	17.90
No	.09½	.01½	Bunker Hill	164,500	.07½	.08	.07	.08
5s	1.25	.60	B'Wana McKubwa	....	1.23	....	....	....
No	.05	.02½	Canam Metals	1,500	.05	.05	.05	.05
1	.12½	.03	Can. Kirkland	29,800	.08½	.09	.08	.08
1	.01	.00½	Capital Rouyn	....	.00½	....	....	....
1	.03½	.01	Cartier Malartic	1,200	.01½	.01½	.01	.01½
1	.72	.15	Castle Trethewey	222,681	.50	.72	.50	.62
1	.18	.05	Cen. Manitoba	26,278	.12	.12½	.11½	.12
1	.32½	.17	Cen. Patricia	44,459	.28	.32½	.28	.32
No	.20	.03	Chibougamau Pros.	43,500	.14	.13½	.12	.13
No	.10½	.03	Church. M. & Mill.	14,500	.05	.04½	.04½	.04½
1	.04	.00½	Clericy	366,700	.02½	.04	.02½	.03½
1	.02½	.01	Clifton Cons.	105,500	.01½	.02½	.01½	.02½
5	9.00	1.65	Coast Copper	1,075	7.25	7.50	6.75	7.25
1	.10	.00½	Cobalt Contact	355,150	.05½	.10	.05½	.08½
1	.21½	.05	Columario	80,000	.17½	.21½	.16	.21½
5	1.90	.75	Coniagas	1,831	1.70	1.65	1.60	1.60
No	.60	.20	Coniaurum	2,300	.50	.60	.58	.58
25	140.00	54.00	Cons. Smelters	3,617	137.60	140.00	134.00	138.50
No	37.65	13.60	Dome Mines	11,430	35.50	36.25	33.75	36.00
No	.15	.03½	Dom. Explorers	273,800	.07	.15	.06½	.13
1	.01	.00½	Dominion Kirk.	4,000	.00½	.00½	.00½	.00½
1	.04	.01	Don Rouyn	6,500	.01	.02	.01½	.02
1	.04½	.02	Duparquet	1,000	.03	.03½	.03½	.03½
1	8.10	1.16	Eldorado	390,505	3.68	8.10	3.68	7.30
No	4.55	1.80	Falconbridge	15,875	4.05	4.25	3.95	4.15
1	.06	.01½	Federal	17,000	....	.03	.03	.03
No	.06	.01	Gilbec	181,400	.05½	.05½	.04½	.05
1	.17	.04	Goldale	41,950	.15	.15	.14	.15
10	.29	.10	Goldfield	16,300	.18	.25	.18	.20
.	.01½	.01	Gold Reef	....	....	....	....	....
1	.12	.02	Goodfish	42,900	.09½	.09½	.06	.08
1	.04	.01	Graham	65,000	.02½	.04	.02½	.03
1	1.95	1.15	Granada	20,635	1.22	1.25	1.18	1.22
1	.18	.06	Groselle	500	.13	.07	.07	.07
1	.39½	.24	Halcrow Swayze	8,800	.38	.39½	.38½	.39
1	.06	.02	Harker	50,800	.04½	.06	.04½	.04½
1	.01½	.00½	Hilltop	20,500	.01½	.01½	.01	.01½
5	10.90	6.00	Hollinger	34,783	10.00	10.70	9.75	10.25
1	1.00	.61	Howey Gold	65,200	.92	.93	.88	.92½
No	11.50	[illegible]	Hudson Bay	9,061	9.70	11.50	9.40	11.25
No	.45	.25	Huronian	1,070	.40	.45	.40	.45
1	12.00	12.00	Inter. Mining	85	....	12.00	12.00	12.00
.	4.00	4.00	Do., Pur. Warr.	20	....	4.00	4.00	4.00
No	22.25	8.00	Int. Nickel	106,601	20.75	22.00	19.80	20.75
1	.03½	.00½	Jackson Manion	65,500	.02½	.02½	.02	.02
1	.70	.20	Keeley	14,000	.45	.70	.45	.65
1	.02	.00½	Keora Mines	....	.00½	....	....	....
1	.76	.48	Kirk. Hud. Bay	2,500	.60	.62	.56	.56
1	.02½	.00½	Kirk. Hunton	16,500	.01½	.01½	.01	.01
1	.52	.30	Kirkland Lake	25,450	.38	.40	.37	.38
1	.04	.01	Kirkland Premier	12,800	.02½	.03½	.02½	.03
1	.52	.12	Kirk. Townsite	147,350	.49	.49	.45	.46
20c	.02½	.00½	Koot. Florence	27,100	.01½	.02½	.01½	.02
1	.35	.15	Lakeland	6,045	.32	.32	.29	.29
No	.30	.07	Lake Maron	105,500	.15	.30	.14½	.25
1	45.50	30.75	Lake Shore	17,435	42.90	46.20	42.00	44.75
1	.15	.02½	Lebel Oro	121,950	.07½	.15	.07½	.12
No	.29	.16	Lee Gold	67,500	.17	.17½	.15	.15
1	.74	.20	Macassa	139,590	.69½	.70	.65	.68
1	.23	.05	Malartic	22,150	.17	.20	.16½	.18
1	.07½	.01	Malrobic	378,803	.05½	.07½	.05½	.07
No	.17	.02	Mandy	3,500	.13	.15	.12	.14
No	.07	.01	Manitoba Basin	102,750	.05	.05½	.04½	.04½
5	36.25	21.20	McIntyre	6,014	33.60	36.00	33.00	35.00
1	.50½	.30	McKinley	850	.50	.50	.50½	.50½
No	.08	.02½	McLeod River	35,500	.03½	.03	.03	.03½
1	.35	.03	McMillan	20,550	.28	.32	.28½	.29
No	.95	.46	McWatters	15,750	.85	.90	.80	.88
1	.84	.15	McVittie	28,275	.65	.66	.60	.63
5	1.10	.06	Mentor Exp. & Dev.	....	1.10	....	....	....
No	2.65	1.10	Mining Corp.	48,829	2.15	2.65	2.05	2.30
1	.05	.01½	Moffatt Hall	57,300	.04	.04	.03½	.03½
1	.12½	.02	Moneta	47,000	.10½	.12½	.09½	.10
1	.09½	.00½	Montreal Rouyn	....	.01	....	....	....
1	.40	.07½	Moss	33,110	.08	.08	.07½	.08
1	.03½	.00½	Murphy	31,500	.02½	.02½	.02	.02½
No	.06½	.02	Newbec	30,000	.04½	.04½	.04	.04½
1	.06½	.01	Night-Hawk Penn.	43,000	.05½	.06½	.05½	.06
5	3.50	1.15	Nipissing	37,010	2.70	3.50	2.70	3.10
No	35.15	19.75	Noranda	28,003	33.50	34.50	32.75	34.20
No	.52	.32½	Nor. Canada	7,100	.41	.47	.40	.45
No	.36	.19½	Normont-Gold	7,125	.35	.36	.35	.36
1	.34	.05	Osisko	2,000	.22	.24½	.20	.24
1	.28½	.11	Parkhill	27,900	.23	.26	.23	.24½
1	.03½	.00½	Pawnee Kirk.	3,000	.02½	.01½	.01½	.01½
1	1.80	.50	Pend Oreille	21,550	1.35	1.45	1.31	1.40
1	.04½	.00½	Peterson Cobalt	72,700	.04½	.04½	.04½	.04½
1	16.25	4.30	Pioneer Gold B.C.	17,450	14.40	14.75	13.05	14.00
1	.03	.00½	Porcupine Crown	12,600	.02	.02	.02	.02
1	.01½	.00½	Potter Doal	8,500	.01	.01½	.01	.01½
1	1.60	.55	Premier Gold	58,425	1.39	1.60	1.35	1.40
1	.03½	.01	Preston E. Dome	75,200	.02	.02½	.02	.02½
No	1.60	.68	Prospectors Air's	1,100	1.25	1.25	1.20	1.20
No	.15	.03	Quemont	1,000	.13	.13	.13	.13
1	2.75	.60	Reno	150,255	2.30	2.70	2.31	2.60
1	.03½	.00½	Ribago	246,700	.02½	.03½	.02½	.03
1	.03	.00½	Ritchie	4,500	.02½	.02½	.02½	.02½
1	.04	.01	Robb Montbray	28,050	.03	.03	.02½	.03
1	1.25	.75	San Antonio	18,680	1.12	1.18	1.10	1.10
1	.03	.01	Seven Troughs	1,500	.02	.02	.02	.02
1	1.61	.33	Sherritt Gordon	109,992	1.52	1.60	1.50	1.55
1	1.77	1.25	Siscoe	117,200	1.52	1.64	1.52	1.60
1	.10½	.02½	South Keora	17,000	.05½	.05	.04	.04½
1	.06	.01½	Stadacona	849,653	.04½	.06	.04	.05
1	.60	.07	St. Anthony	10,150	.28	.38	.35	.35
No	2.21	.60	Sudbury Basin	9,285	1.85	1.95	1.75	1.85
1	.12	.00½	Sudbury Contact	62,165	.10	.11½	.09	.10
1	.01	.00½	Sudbury Mines	19,000	.01	.01	.00½	.01½
No	.25	.16½	Sudbury Nickel	....	.28	....	....	....
1	.38½	.10	Sullivan	23,700	.28	.29	.25	.28
1	1.44	.72	Sylvanite	96,465	1.31	1.32	1.14	1.32
1	.03½	.01	Tashota	....	.04½	....	....	....
1	7.25	3.70	Teck Hughes	72,615	6.60	7.00	6.35	6.80
1	.12	.03	Thom. Cadillac	76,641	.08½	.12	.08½	.09
1	.61	.10	Towagmac	36,700	.53	.61	.45	.45
1	3.00	1.00	Treadwell	3,725	2.25	2.50	2.10	2.30
1	.17	.04	United Kirkland	19,000	.13	.19	.12	.12
No	.06½	.04	Vacuum Gas	15,000	.03	.02½	.02½	.02½
No	2.40	2.30	Venezuela	....	2.35	....	....	....
No	1.50	.80	Ventures	67,522	1.19	1.20	1.10	1.20
1	.22	.03	Vickers	21,000	.03½	.03½	.03	.03½
1	.75	.20	Vipond	8,813	.56	.56	.55	.55
No	1.65	.35	Waite Ackerman	5,000	1.50	1.65	1.45	1.60
50c	.70	.33	Wayside	775,175	.42	.64	.45	.63
1	.08	.02½	White Lake	5,500	.07	.08	.06½	.07½
1	.28	.02	Wiltsey Coughlan	64,450	.22	.21½	.18	.19½
1	.27	.07	Wood Kirkland	3,500	.20	.20	.20	.20
No	7.00	3.73	Wright-Hargreaves	73,745	6.60	7.00	6.30	6.90

OIL STOCKS

Par Val.	Range 1933 High	Low	Company	Sales	Close July 10 (or last)	High for week	Low for week	Close July 17
No	.18½	.06	Acme Gas & Oil	74,200	.16½	.16½	.13½	.16
1	.04½	.04½	Admiral	....	.04½	....	....	....
1	1.24	.55	Ajax	20,750	1.18	1.20	1.10	1.14
1	.35	.03	Alta. Pacific	62,575	.19	.35	.17	.30
1	.18½	.05	Amalgamated	16,600	.13	.17	.12	.17
No	.25	.04½	Associated	17,100	.16	.25	.16	.21
No	.15½	.01	Baltac	44,700	.12½	.15½	.12	.12
No	1.15	.25	Calgary & Ed.	14,810	.80	1.15	.85	1.10
1	.22½	.03	Calmont	55,875	.09	.22½	.09	.18
1	.15	.03½	Common. Pete.	3,650	.07	.15	.07	.13
No	.75	.11	Dalhousie	42,165	.38	.75	.38	.75
No	.17	.02	Devonian	4,150	.10	.17	.09½	.16
No	.28	.05½	East Crest	27,765	.13	.28	.15	.25
No	.36	.25	Erie Gas	....	.27	....	....	....
No	.01½	.00½	Fabyan Pete	110,000	.01	.01	.01	.01
No	.50	.06	Foothills	1,050	.34	.50	.35	.50
No	.09½	.04	Freehold	4,400	.07½	.09	.07	.07
No	.06½	.01½	Hargal	....	.05	....	....	....
No	1.58	.30	Home	73,264	1.22	1.58	1.10	1.52
1	.25	.10	Homestead O. & G.	34,900	.16½	.25	.15	.22
No	.30	.10	Lowery	2,900	.28	.30	.28	.29½
No	.18½	.05½	Marion Oil	2,000	.16	.15	.12	.15
1	1.80	1.14	Mayland	30,927	1.31	1.80	1.34	1.75
No	.08	.03½	McD. Segur Ex.	2,000	.04	.04	.04	.04
1	.50	.25	McLeod	1,100	.35	.35	.32	.32
No	.15	.07½	Mercury	41,305	.12	.14	.11	.13
No	.38	.11	Merland	30,000	.27	.38	.25	.33
1	.01½	.01	Mid West	....	.01½	....	....	....
No	.20	.09	Mill City Pete	500	.13½	.13½	.13½	.13½
1	1.45	.12	Model	600	.35	.35	.35	.35
5	.25	.09	Nordon	80,970	.19½	.25	.19	.23
No	.08	.02½	Oil Selections	16,500	.06	.06½	.05½	.06
No	.15	.05½	Okalta	500	.09	.09	.09	.09
No	.61	.20	Olga Gas & Oil	4,200	.46	.44	.40	.41
5	.03½	.01	Penn. Pete	....	.01½	....	....	....
1	.25	.13	Petrol Oil & Gas	1,000	.22	.20	.19½	.20
No	.02	.02	Richfield	....	.02	....	....	....
No	23.00	5.75	Royalite	7,226	19.95	23.00	18.00	21.00
1	.25	.05	Sarnia Oil	3,550	.18	.23	.16	.22
No	.40	.14	South West Pete.	5,200	.18	.40	.16	.40
1	.06	.06	Spooner	....	.06	....	....	....
No	.55	.12	Sterling Pacific	30,000	.37	.55	.38	.50
.	.43½	.43	Trinidad Oil	....	.43½	....	....	....
No	.16	.03	United	9,500	.08½	.09	.07½	.08½
No	.21	.06	Vanalta	4,000	.14	.15	.14	.14
No	.02½	.00½	Wainwell	13,000	.02	.02	.02	.02

VANCOUVER STOCK EXCHANGE
(Transaction for Week to July 11.)

Par Val.	Range 1933 High	Low	Company	Sales	Close July 4 (or last)	High for week	Low for week	Close July 11
25c	.03	.00½	Bayview	11,000	.02	.02	.01	.01
20c	.10	.02½	Beaver Silver	115,961	.06½	.08½	.05	.08
25c	.17	.04	Big Slide	20,000	.06	.06	.04	.05
25c	.06½	.02	Bluebird	6,825	.04	.04	.04	.04
No	9.00	1.38	Bralorne	19,569	6.90	8.30	6.90	8.15
1	.57	.05	Bridge River Cons.	63,550	.36	.39	.30	.37
50c	.71	.35	Bridge River Exp.	69,100	.54	.61	.45	.61
100	89.00	88.50	B. C. Electric, pfd.	....	88.50	....	....	....
1	1.50	.60	B. C. Silver	100	1.40	1.00	1.00	1.00
No	.82	.60	Burns Mountain	....	.55	....	....	....
1	4.15	1.50	Cariboo Gold	13,375	2.90	3.00	2.75	2.90
No	12.90	5.60	Coast Breweries	1,015	10.00	10.50	10.00	10.50
25c	.02½	.00½	Cork Province	3,000	.01	.01	.01	.01
1	.02½	.00½	Cotton Belt	1,000	.02½	.02½	.02½	.02½
1	.08	.00½	Dalhousie Mines	12,500	.03	.03½	.03½	.03½
1	.13	.02	Dunwell	3,510	.08	.08	.07	.08
1	1.00	.28	George Copper	1,175	.55	.60	.50	.60
50c	.12	.04	Geo. Enterprise	3,000	.04½	.04	.04	.04
1	.09½	.02	Georgia River	50,100	.05½	.05½	.04½	.05½
1	.60	.16	Golconda	6,150	.37	.40	.36½	.40
50c	1.05	.60	Gold Belt	4,600	1.00	1.00	.90	.94
1	1.25	.95	Golden Belle	4,700	1.15	1.10	1.00	1.10
50c	.11	.03½	Grandview	23,500	.07	.06½	.06	.06
1	.01½	.00½	Independence	....	.01	....	....	....
1	.03½	.01	Indian Mines	2,000	.02½	.02½	.02½	.02½
1	.17	.08½	Inter. Coal	4,000	.13	.13	.12	.13
1	.36	.36	Jack Waite	....	.36	....	....	....
50c	.57	.32	Kootenay Belle	5,750	.35	.36	.32	.36
25c	.04	.00½	Kootenay King	....	.02	....	....	....
1	.00½	.00½	L & L	11,500	.00½	.00½	.00½	.00½
1	.01	.00½	Lakeview	3,000	.00½	.00½	.00½	.00½
10c	.06½	.01	Lucky Jim	33,700	.05	.05	.03	.05
50c	.01	.00½	Marmot Metals	7,000	.00½	.00½	.00½	.00½
10c	1.05	.20	Meridian Min.	23,140	.51	.58	.43½	.58
5c	.13	.04	Metaline Metals	5,000	.07	.07	.07	.07
1	.01	.00½	Mohawk	500	.00½	.00½	.00½	.00½
50c	.41	.18	Morning Star	84,625	.22	.28	.22½	.28
1	.06	.01	Morton Woolsey	25,500	.03½	.04	.02	.04
1	.29	.10	Native Sons	20,350	.11½	.10	.10	.11
50c	.10½	.00½	National Silver	75,650	.05½	.07½	.05	.07½
50c	.86	.74	Nicola	6,000	.85	.86	.84	.86
50c	.21½	.02½	Noble Five	63,550	.13½	.15	.12½	.15
50c	.01	.01	Oregon Copper	....	.01	....	....	....
1	.35	.25	Pavilion	....	.25	....	....	....
1	1.25	.40	Pioneer Extension	....	.40	....	....	....
1	16.10	4.30	Pioneer Gold	1,670	13.50	14.50	13.50	14.50
1	.10	.10	Planet	....	.10	....	....	....
50c	.19	.04	Porter Idaho	17,700	.12	.15	.10½	.15
No	.04	.00½	Premier Border	103,400	.02½	.03	.02	.03
1	.04	.03½	Quatsino Copper	3,000	.04½	.05	.04	.05
No	.42	.10	Reeves McDonald	2,000	.35	.30	.25	.26
1	.39	.27	Reliance	....	.27	....	....	....
1	2.70	.60	Reno Gold	31,479	2.25	2.40	2.17	2.40
1	.22	.04	Reward Mining	88,000	.14	.15	.11	.14½
1	.10	.01	Rufus Argenta	30,659	.07½	.07	.05	.07½
1	.07	.02½	Ruth Hope	1,000	.05	.04½	.04½	.05½
1	.65	.41	Sally Mines	12,529	.45	.45	.45	.45
1	.15	.03½	Silverado	2,000	.09½	.09	.08	.09
25c	.09½	.01	Silver Crest	47,000	.06	.06	.04	.05
25c	.04½	.01	Silversmith	....	.03½	....	....	....
25c	.04½	.00½	Snowflake	40,900	.02	.02½	.02	.02
1	.05	.01	Sonora	....	.05	....	....	....
1	.02	.01	Standard Gold	....	.02	....	....	....
1	.50	.25	Sunloch	....	.45	....	....	....
1	.31	.05	Toric	100	.30	.35	.33	.35
50c	.03½	.00½	Topley Richfield	16,000	.02½	.03	.02½	.03
50c	.60	.12	Wayside	117,675	.39½	.55	.37½	.55
25c	.12	.01½	Waverly Tangier	99,500	.07½	.07½	.06	.07
20c	.05	.01½	Wellington	21,000	.02½	.02½	.02½	.02½
1	.18	.03	Whitewater	35,000	.14	.11½	.10	.11½
1	.48	.40	Yankee Belle	....	.42	....	....	....

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	5c.	7.01	Merland Oils†	2½c.	
Coniagas	12½c.		Noranda†	50c.	
Coniaurum†	5c.		Petrol Oil	2c.	
Cons. Smelters*	10%		Premier	12c.	8.27
Dome Mines	$1+55c.	4.31	Pioneer, B.C.	12c.	4.28
Falconbridge	10c.		Royalite	*1.50	
Hollinger	60c. +10c.	7.31	Siscoe	12c	7.50
Howe Sound	40c.		Sterling Pacific Oil†	3c.	
Lake Shore	$2+$1	6.70	Sylvanite	4+1c	3.84
McIntyre	$1+75c.	5.00	Teck-Hughes	40c.	8.82
McLeod Oils†	5c.		Wright-Har.	20c.	2.89

*Stock. †Interim. ‡Initial. *Paid in 1932.

Cariboo Gold Output $79,000

A wire from Cariboo Gold Quartz officials states production marketed to June 30, 1933, was valued at approximately $79,000. The mill started treating 65 tons of ore daily on July 1.

An article in the July 8 issue of The Financial Post about Fred M. Wells and the Cariboo Gold Quartz Mines, erroneously gave the impression that production since the first of the year had been but $17,000.

SOUTHERN CANADA POWER EARNINGS ON PAR WITH 1932

Returns for Nine Months Ending June Last Slightly Lower

From Our Own Correspondent

MONTREAL.—Southern Canada Power Co. has passed the three-quarter way mark in its current fiscal year with earnings on much the same basis as in the corresponding period of the preceding year.

Conditions in the territory served by this company have been fairly satisfactory. Industry is well diversified and fluctuation in the power load has been less pronounced than in other areas. Efforts to increase the commercial and domestic load have been meeting with fair success. In connection with the latter the company recently instituted lower rates, which are expected to stimulate consumption of energy.

June Returns Easier

The latest interim report covering income shows a gross revenue for June of $164,676, or $9,332 less than for the same month in 1932. Operating expenses were cut by $2,238, leaving net operating income at $102,304. This was $7,094 less than reported for the same month last year.

For the nine months ended June, 1933, Southern Canada Power's gross earnings aggregated $1,592,412, a decline of $101,517 from the $1,693,929 reported for the same period in the previous year. The cut in operating expenses was not sufficient to offset the decline in gross revenues, so that net earnings for the first nine months of the fiscal year 1933 at $1,026,738 were $36,598 lower than for the corresponding period of 1931-32.

No Marked Change

During the fiscal year ended September 30, 1932, Southern Canada Power had net earnings of $377,605 available for dividends on its common stock. This was equivalent to 94 cents a share as against a dividend disbursement of $1 a share. It is not likely that complete returns for the current fiscal year will show any material difference in net results. The trend of income lately has been slightly downward, but the improvement would not have to be marked in order to offset the loss already reported.

Rhokana's Copper Cost 4.7 Cents Per Pound

A preliminary report by the Rhokana Corp., operating a copper property in Northern Rhodesia, shows that in the six months ended June 30, 1933, total cost per long ton of blister copper was £21.584 as compared with £31.467 in the six months ended December 31, 1932.

Production in the first half of 1933 amounted to 26,038 long tons as compared with 22,541 long tons in the six months ended December 31, 1932.

Part of the reduction in the operating costs is attributable to the reduction in the amount of debenture interest payable this year on account of the conversion of the majority of the debentures into ordinary shares.

Admiral Oil Reports Current Assets $26,450

The financial statement of Admiral Oils Ltd., F. L. Shouldice, president, shows the company with current assets of $10,450 and investments costing $16,000 with liabilities nil as at March 31, 1933.

From an investment of $12,000 in royalties on the production from Hylo Oils in the Turner Valley field, the company received in dividends from November, 1931, to March, 1933, a total of $10,020. This has enabled it to declare a dividend of 3½ cents per share to shareholders last month.

The company has a capitalization of $500,000 in $1 par value shares of which 333,338 shares are issued. The stock of the company is very closely held.

Norgold Samples Sent to Ottawa

Norgold Mining Co., recently formed to succeed the Norgold Synd., is aggressively exploring and sampling the Clement group of six claims near the middle of Bousquet township, Quebec. Five other adjoining claims have also been acquired. On the Clement property twelve test pits have been put down and 200 pound samples from each have been forwarded to the Ottawa ore dressing laboratory for treatment and assay.

Noranda Mines which dropped its option on these claims a few months ago were denied modification of terms permitting a conclusive test being made. Norgold plans a 2,000 ft. diamond-drilling programme, which is to be undertaken at an early date.

African Cobalt Output Boosted By N'Kana Mine

Another producer has loomed on the horizon with the announcement that the N'Kana Corp. has successfully experimented with the treatment of the cobalt found associated with its copper mining operations in Northern Rhodesia. Electrolytic cobalt is to be produced by the company and it has joined the principal Rhodesian producers in a joint selling policy. In Canada the cobalt production from the silver mining operations at Cobalt, Ontario, have been refined and marketed by the Deloro Smelting & Refining Co., which acts as the principal marketers of the metal on this side of the Atlantic.

Utilize Peat Resource

Construction of a factory and drying shed has been begun by the Alouette Peat Products Limited on 135 acres of land on the south side of the Alouette River near Pitt Meadows, B.C., which, when completed, will provide employment for a hundred men.

June Newsprint Returns On More Encouraging Basis

Canadian Production and Shipments Ahead of Last Year's Figures — American Mills Increase Shipments — Stocks on Hand Show Decline

From Our Own Correspondent

MONTREAL.—Newsprint shipments exceeded production during June, in so far as Canadian mills were concerned, according to return compiled by the Newsprint Service Bureau. At the same time production was relatively well maintained in comparison with the preceding month, while it exceeded that for the corresponding month of last year for the first time since February, 1930.

Production by Canadian mills during June, 1933, amounted to 171,419 tons. This was only 356 tons less than in May last. Usually at this time of the year there is an appreciable decline due to seasonal contraction. The fact that output did not drop off last month is attributed to the effects caused by the quickening of business in the United States, increased advertising and consequent gain in consumption of newsprint by publishers.

Cumulative Total Lower

For the first half of 1933 Canadian mills turned out 900,678 tons of newsprint. This compared with 999,885 tons for the same period of 1932 and is lower than for any other similar half yearly period since 1926, when 893,753 tons were manufactured.

Shipments of Canadian newsprint last month totalled 171,678 tons, a gain of better than 6,000 tons compared with the previous month and roughly 7,000 tons more than in June 1932. For the first half of the current year shipments aggregated 893,130 tons. This compares with 1,000,962 tons for the same months in 1932 and is slightly higher than the 892,273 tons recorded in the first half of 1926.

U. S. Mills Slipping

United States mills have not been holding their own this year. This is typical of the trend of operations and distribution for that area during the past several years. The present low prices for newsprint have tended to limit production to the more economical mills and imports have taken a larger share of the domestic market.

During June last American mills produced 84,384 tons of newsprint, compared with 79,516 tons in the preceding month and with 85,399 tons in June 1932.

For the initial six months this year American mills manufactured 456,002 tons of newsprint, compared with 546,757 tons for the corresponding period of 1932 and a high of 844,017 for the first six months in any one year since 1924.

Shipments of newsprint from American mills in June, however, were better than a year ago. For the first half of 1933 American mills shipped 458,289 tons compared with 543,780 tons for the same period last year.

Stocks Register Decline

Consequent upon the increase in shipments, stocks of newsprint on hand in the United States and Canada have declined, amounting to 65,032 tons on July 1 last. This is the third lowest figures reported at the beginning of any month in several years past.

Calgary Power Services Elevators

From Our Own Correspondent

MONTREAL. — Gasoline engines and coal oil lanterns are giving way in the face of competition from the cleaner and more economical use of electric energy. For many years some 106 country grain elevators in Central Alberta, north of Red Deer, have depended upon gasoline engines and coal oil lanterns for power and lighting. In future these requirements will be taken care of by Calgary Power Co., which has contracted to supply them electricity. In order to provide the service approximately $75,000 will be spent on wiring and new equipment, while an additional $40,000 will be spent by Calgary Power in erecting the necessary distribution lines.

PACIFIC MILLS NET PROFIT $36,242 AFTER INTEREST

Depreciated Currencies and Increasing Taxes Made Profits Difficult

From Our Own Correspondent

VANCOUVER. — Although declines in consumption have been unprecedented, Pacific Mills, Ltd., one of British Columbia's largest newsprint producers, shows a net profit of $36,242 after bond interest, income taxes, depreciation and depletion, according to a statement issued by A. B. Martin, president. Last year the profit was $215,904.

Pacific Mills operates newsprint mills at Ocean Falls and a converting plant and power board factory in Vancouver. It is a subsidiary of Crown Zellerbach Corp. of San Francisco.

Unsettled Exchanges Hurt Sales

Drastic depreciation of foreign currencies have affected adversely the foreign sale of newsprint and wrapping paper, reports Mr. Martin, who adds that the company has effected substantial economies in raw material costs and manufacturing.

The increase in tax rates and the imposition of a 6 per cent Dominion sales tax on supply commodities, which were formerly exempt, made the problem of operating at a profit increasingly difficult, according to Mr. Martin.

Operating profit for the year under review was $885,620 compared with $981,808 the previous year. After $617,120 for depreciation, $1,119 for depletion, $201,521 for bond interest and $29,537 for income taxes, net profit was $36,242.

Profit on the company's own bonds purchased for redemption is shown at $61,998, bringing total income to $91,240, which added to earned surplus at April 30, 1932, of $6,282,968, brought total surplus to $6,381,208.

Trust and Loan Co. Collections Show Gain

From Our Own Correspondent

MONTREAL.—Collections of the Trust and Loan Co. of Canada during April and May last showed an increase of nearly 30 per cent, according to a statement made by Col. the Hon. Sidney Peel, president, at the annual meeting of the shareholders.

In commenting upon prospects for the company, the president said in part:

"With the best of fortune and the best of management, the effects in Canada of the world depression and dislocation of the last few years must take time to straighten out. But there are undoubtedly signs of material improvement, though it is, perhaps, too soon to be certain that the improvement has come to stay. As always, the price of wheat is of paramount importance. Since we last met the price has broken all records by falling below 40 cents a bushel at Winnipeg. Today it is 74 cents a bushel, against 54 cents to 55 cents when I last addressed you. There is also a definite revival in the demand for goods in the West, a sure sign that a more hopeful spirit prevails there. And I hope it is significant that the collections at our two Western offices in the first two months of the current financial year—April and May—show an increase of over 29 per cent compared with the corresponding months of last year."

CAN. GEN. INVEST. INVESTMENTS RISE SINCE 1932 ENDED

Company's Earnings Covered Dividends With Small Surplus

Canadian General Investments, Ltd. — Rt. Hon. Arthur Meighen, president—inaugurates a new policy by making a half-yearly report on income and on its financial position. Net income of $110,105 for the first six months enabled the company to pay dividends of $105,645 as compared with 1932 when earnings of $271,095 for the whole year were slightly below dividends of $271,637. The company was therefore able on June 30 to add to surplus $4,460.

Profit and Loss Account

	6 Mos. ended June 30, 1933 $	12 Mos. ended Dec. 31, 1932 $
Net income	110,105	271,095
Less: Dividends	105,645	271,637
Surplus	4,460	†542
Prev. surplus	48,180	48,723
Balance	*52,640	48,181

* Before provision for Dominion income tax. † Deficit.

Asset Value Increases

The net asset value of the company increased in the six months from $5.65 a share as at the end of 1932 to $7.50 a share as at June 30, 1933, an appreciation of 32.7 per cent. During this period the net value of the assets increased from $3,464,235 to $4,602,781, an appreciation of $1,138,546. Loans have been reduced by $292,605 to $535,871 against total assets having a present value of $5,214,588.

In his letter to the shareholders Rt. Hon. Arthur Meighen states that it is the intention in the future to issue, in addition to the annual report and balance sheet, letters from time to time, this letter being the first. The management, he states, has endeavored to carry out the company's investment policy by making such investments as will permit of capital appreciation without unduly sacrificing a fair income return. Certain investments have been made which are not currently bringing in a return but which hold promise of early dividend resumption.

Lag in Dividend Receipts

"Owing to the fact that corporations do not immediately reflect an improving earnings position in increased dividends, there is an inevitable lag before a returning industrial prosperity is shown in the income of investment companies," comments Rt. Hon. Mr. Meighen.

Investments at book values were $6,449,202 and the indicated value on June 30 was $5,143,870 in addition to accrued interest and dividends of $50,825. Cash was $19,889.

On the 612,444 alloted shares of $5 par value there remains $216,209 to be paid up. There are more than 4,000 shareholders who are now receiving the 20th consecutive dividend, amounting in this case to 7½ cents a share for the second quarter of 1933. Share warrant holders are getting payment of Coupon No. 20 at various stated offices of the Bank of Montreal.

FRENCH RIVER and NIPIGON

CHALET-BUNGALOW CAMPS

7 DAYS All Expenses TORONTO-FRENCH RIVER and RETURN $50.

For fishing *plus* golf, come to French River . . . fighting black bass, "muskies", "wall-eyes" and pickerel. Canoeing, swimming, tennis. Snug bungalows with screened porches—central club house. New log cabin camp at beautiful Pine Rapids.

French River station is on the Canadian Pacific 215 miles north of Toronto. P.O.address, Asinka, Ont.

9½ DAYS All Expenses TORONTO-NIPIGON RIVER and RETURN $89.

Visit Nipigon this year . . . headquarters for *St. Ignace Island* and the *finest "coaster" or square-tailed brook trout fishing on this continent* . . . good fishing also close by main camp. Tennis, swimming, canoeing, dancing . . . a charming community life.

Nipigon Camp station is 22 hours by rail from Toronto or you can go via the Great Lakes. P.O. address, Nipigon, Ont. 193

Full information from Wm. Fulton, Asst. General Passenger Agent, King & Yonge Streets, Toronto.

CANADIAN PACIFIC

SMALL DEFICIT ASSOC. TELEPHONE AFTER INTEREST

Conversion of Foreign Currencies Into Dollars Caused Book Loss

Associated Telephone and Telegraph Co. discloses net earnings for 1933 of $4,439,558, from which has been deducted depreciation write-off of $1,587,787, leaving $2,851,771 available for subsidiary interest and dividend deductions of $2,175,943, making net earnings after these charges of $675,828 available for interest on its own debentures, amounting to $669,866 and other interest and debt discount of $302,889. This results in a deficit for the year of $296,927, which mostly arises from a charge of approximately $250,000 due to conversion of foreign currencies into United States funds, which conversion is substantially a book entry.

Net working capital is shown at $3,387,386, compared with $3,134,887 at the end of 1931, with bank loans reduced from $5,500,000 to $4,000,000.

Income Account

	1932 $	1931 $
Gross earnings	11,876,973	13,971,709
Oper. exp. & taxes	7,437,415	8,144,915
Net before deprec.	4,439,558	5,826,794
Depreciation	1,587,787	1,649,633
Net after deprec.	2,851,771	4,177,161
Subsid. int. & divd. deductions	2,175,943	2,050,853
Balance	675,828	2,126,308
Int. on Assoc. Tele. & Tele. debentures	669,866	814,223
Other int. & debt disc.	302,889	
Net earnings	*296,927	1,312,085

*Deficit.

BRUCK SILK MILLS PLANT OPERATIONS ON CAPACITY BASIS

Sufficient Business Booked to Keep Plant Active for Some Time

From Our Own Correspondent

MONTREAL.—Bruck Silk Mills has instituted a 24-hour working schedule, comprising three 8-hour shifts, as well as a voluntary increase of 12 per cent in wages to weavers.

The new addition to the plant at Cowansville, that has been in process of erection for some time, will go into operation on August 1. Those two developments will increase the company's productive capacity by 35 per cent over the basis prevailing up to the close of last week.

Capacity is Enlarged

The new building and additional equipment that has been installed follows the virtual doubling of capacity in 1930, and the additions to the dyeing and printing departments and other operating branches of the business.

For the past few months yardage sales are substantially ahead of last year. In May the increase in dollar sales was 21.3 per cent and in June it was no less than 123.5 per cent. Advance orders for fall and winter lines are developing strongly and the outlook is for capacity operations for some time to come.

HOTEL NORTON PALMER

WINDSOR - ONTARIO

The largest and most modern hotel in the Border Cities. Close to everything . . stores, churches, theatres. Five minutes from downtown Detroit.

CAFETERIA AND ENGLISH GRILL

Single $2.00 to $4.00 | Double $3.50 to $6.00 | Twin Beds $6.00 to $8.00

ALSO PRIVATE SUITES

PRESTON D. NORTON, Manager

Canadian Mining News

B.C. Mining Expands As Strong Companies Search Older Areas

Cariboo and Bridge River Districts Humming With Activity

WARNING NOTE

Minister of Mines Says Danger of Gold Boom Being Carried Too Far

From Our Own Correspondent

VICTORIA, B. C. — Although commenting that "at the present time all indications point to increased mining activity and production in 1933 as compared to the previous year," the statement of the Department of Mines announcing the issuance of the annual report of the Minister of Mines for 1932, warns against the "gold boom" being carried too far.

"It seems advisable," the report states, "to warn the public that the gold boom like every other boom, shows signs of being carried too far, with the usual consequent loss to so-called investors, who in many cases are really speculators or gamblers. At the present time many mineral claims are being taken up and companies promoted to develop them which have but a remote chance to develop into mines. Through the operations of the 'Securities Act,' the public is now assured a more legitimate financial set-up for these companies than prevailed with many in former years, and also adequate provision that a fair percentage of the money raised from the public will be spent in developing the property. This, however, in no way guarantees that the property is a reasonable speculation for development from the mineral viewpoint, and the public is advised to check this feature by reference to the Department of Mines reports or other reliable sources of information regarding mineralization."

Production $28,241,618

The gross value of mineral production of the province is given as $28,241,618, a decrease of over $6,000,000 from the previous year due chiefly to lower output of copper, zinc and coal and lower metal prices.

The main feature of the year 1932, according to the statement, was the extensive revival in gold mining both placer and lode, continuing by saying that "the latent gold possibilities of the widespread mineral areas of the province are now receiving belated recognition and there seems little doubt that several new gold mines will result from the extensive developments under way and planned for the 1933 season."

Reference is made, of course, to the increased output of gold in 1932 of $4,100,061 as compared with $3,310,886 in 1931, a net increase of 24 per cent.

Capacities Increased

Turning to metallurgical features of the year, the statement says that the most important addition to milling facilities in the province in 1932 was the enlargement of the Pioneer mill from 100 tons per day to 300 tons per day while great improvements in metallurgical practices making for greater efficiency and lower cost were reported at the four big mining companies—Consolidated, Granby, Britannia and Premier.

J. D. Galloway, provincial mineralogist, interviewed by The Financial Post, stated that "Definite figures are difficult to obtain, but from reports to the mines department there are approximately 500 men now being employed in the Cariboo and a little more than that in the Bridge River." In the former area, there are now four lode gold operations active, the Cariboo Gold Quartz, which is of course producing, the Burns Mountain Gold Mine, the Newmont syndicate operations and Britannia.

Newmont in New Field

The Newmont has two or three separate operations, but the main one at the present time is directly across Jack of Clubs Lake from the Cariboo Gold Quartz. A tunnel is being driven here and a small crew of men are being employed. The operation is being carried on under the name of Cariboo Consolidated.

Britannia is driving a tunnel and doing surface geology and surface prospecting on part of their holdings in this district.

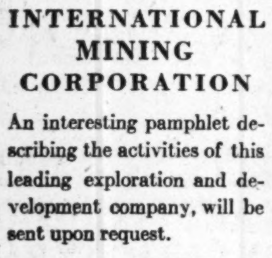
The provincial mineralogist stated that the rate of staking dropped considerably during the month of May when 378 mineral claims were recorded at the gold commissioner's office at Barkerville. The difficulty of obtaining exact figures, he said, was due to the fact that there were dozens of small operations in the district being carried on by individuals, of whom little or no track could be kept.

Speaking of the Bridge River district, Mr. Galloway said that active development was being pressed forward at the Wayside, Bridge River Consolidated, Bridge River Extension (now a Consolidated Mining & Smelting operation), Native Son, P. E. Gold, Red Hawk and Dan Tucker properties.

Managing Director For Lake Shore Mine

A change in policy at the Lake Shore Mine results in A. L. Bloomfield being appointed managing director. He will assume to a large extent the duties formerly undertaken by Harry Oakes, who held the dual position of president and managing director of the company.

A graduate of Melbourne University, the new official has spent many years in United States as well as in Western Australia, New South Wales and Mexico. He has been in consulting practice since 1927 in Australia. E. W. Todd, superintendent of Lake Shore, retains that position.



INTERNATIONAL MINING CORPORATION

An interesting pamphlet describing the activities of this leading exploration and development company, will be sent upon request.

Greenshields & Co

Members of

Montreal Stock Exchange
Montreal Curb Market

507 Place d'Armes, Montreal

OTTAWA TORONTO QUEBEC

25R

B. E. A. R. AWAITS ENGINEER'S REPORT

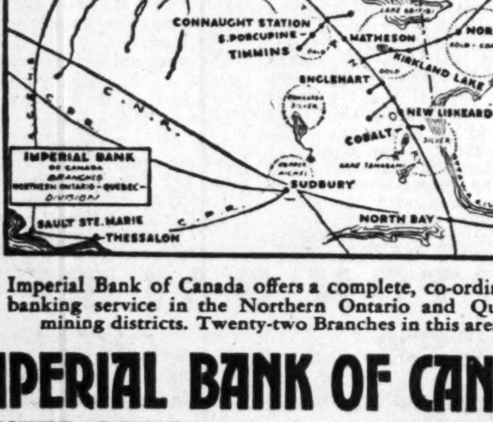
C. H. Poirier Appointed to Make Complete Survey

The Great Bear Lake property of Bear Exploration and Radium is to be systematically and thoroughly reported on by C. H. Poirier on behalf of Munns Winslow and Potter, members of the New York Stock Exchange, which has directional control and is financing the operations of the company.

Mr. Poirier is well known for his Canadian activities and has been given authority to make a comprehensive report on the company's holdings. Bernard Day, who has been acting in an engineering and management capacity, remains with the company, being under contract until next spring. Messrs. Weiss and Neukirk, formerly connected with the financing of the company in its early stages of promotion, are no longer associated with the enterprise.

A small test mill was sent to the property early this year and development is in charge of Bert Airth who has been conducting exploration work with plans calling for bulk sampling.

A COMPLETE BANKING SERVICE IN THE MINING COUNTRY



Imperial Bank of Canada offers a complete, co-ordinated banking service in the Northern Ontario and Quebec mining districts. Twenty-two Branches in this area.

IMPERIAL BANK OF CANADA

HEAD OFFICE · TORONTO

Capital and Reserve $15,000,000

FRANK A. ROLPH, President
Col. J. F. Michie, Vice-President R. S. Waldie, Vice-President
A. E. Phipps, General Manager

230 BRANCHES THROUGHOUT CANADA

HOLLINGER EARNS PER SHARE 47 CTS. IN FIRST SIX MO.

Lower Operating Costs Offset Small Decline in Tonnage and Value

An interim statement by Hollinger Consolidated Gold Mines covering estimated earnings for the six months ended June 30, 1930, shows profits of $2,296,492 or 47 cents per share, on the outstanding capitalization as compared with $2,056,152, or 42 cents per share in the six months ended December 31, 1932.

The tonnage milled and value of production showed a slight decline in the period under review from the previous period, but lower operating costs increased the net profit before final adjustments.

The following tabulation gives comparative figures for the past two six months periods:

Earnings

	6 mos. ended June 30 1933 $	6 mos. ended Dec. 31 1932 $
Tons milled	847,519	912,044
Value of gold & silver produced	6,133,573	6,164,567
Int. on invests. & other inc.	....	84,963
Total income	6,133,573	6,249,530
Oper. expend. incl. all chgs. & allows. for taxes	3,837,081	4,193,378
Total profit	2,296,492	2,056,152
Divid. requirements	1,968,000	2,091,000
Bal. undistrib. & subject to depr. & surp. adj.	328,492	†34,848

†Deficit.

McIntyre Earns In Three Months $1.00 Per Share

Reflecting the most prosperous period in the company's history, the quarterly statement of earnings by McIntyre Porcupine Mines, covering the three months ended June 30, 1933, showed net profits of $800,467, equivalent to $1 per share or at the annual rate of $4 per share. This compares with earnings of 70 cents per share in the corresponding period of 1932 and with total earnings for the last fiscal year of $2.81 per share.

Tonnage figures are not given but indications are that without exchange compensation the value of the production is the greatest on record.

The following is a tabulation of earnings for the last quarter compared with those in the same period of 1932.

QUARTERLY EARNINGS STATEMENT
Three Months Ended June 30, 1933

	1st quar. ended June 30, 1933	1st quar. ended June 30, 1932
Gross income	1,818,462	1,450,844
Less:		
Costs, incl. devel.	794,098	753,385
Approp. for taxes	151,787	71,740
Depreciation	72,108	67,981
Net income	800,468	557,737
Earnings per share	$1.00	$0.70

Dome Sets Record Pace First 6 Mo.

An interim statement by Dome Mines Ltd., covering the six months period ended June 30, 1933, reflects the most profitable period in the company's 23 years as a gold producer in the Porcupine district of Ontario. Estimated earnings per share are $1.74, the total estimated profit being $1,661,975.

The mill continues to treat about 1,500 tons of ore daily and the recovery per ton for the six months period amounted to $8.73.

The following tabulation gives comparative estimated earnings for the first two quarterly periods of 1933:

	2nd qu. 1933 $	1st qu. 1933 $
Earnings:		
Recovery	1,223,512	1,159,818
Less: Oper. exps.	491,875	529,281
Taxes	183,620	92,457
Outside exps.	20,734	....
Est. oper. earns.	527,283	538,080
Add non-oper. income:		
U.S. funds	43,499	72,739
Canadian funds	265,831	214,543
Est. profit*	836,613	825,362
Earn. per share	$0.88	$0.86
Production:		
Tons treated	137,090	136,000
Rec. per ton	$8.87	$8.53

*Before depreciation and reserves.

Index to Mining Stocks

The weighted index number of twenty mining stocks computed by the Dominion Bureau of Statistics on the base 1926=100, was 106.1 for the week ending July 13, as compared with 103.6 for the previous week.

Eleven gold stocks rose from 97.1 to 99.1, four gold-copper stocks from 135.2 to 140.0, and five silver and miscellaneous stocks from 45.0 to 45.9.

Additional Mining News

PAGE 13

FORTUNES FROM GOLD

Fortunes are in the making for wise investors in Canadian Gold mines. We have just published a booklet entitled: "HOW TO SELECT GOLD MINING STOCKS." It covers, step by step, in a clear and interesting way, how an investor can more accurately appraise current offerings.

We will be glad to send you a copy of this booklet on request.

FOUNDATION SECURITIES LIMITED,
347 BAY STREET, TORONTO
ADELAIDE 4067

Outlook for Silver Commodity Question

Price Improvement Would Aid Canadian Mines — Authorities Question Silver's Future as Money — China Doesn't Want Price to Rise More Than Other Goods

While British and particularly American spokesmen of silver-producing interests have been advocating rehabilitation of the metal for monetary purposes, and raising its price, the humble Chinese, who are its chief users, have suggested that they are not too eager to approve the agitation. The current interest in silver mining shares and speculation in silver futures makes it timely to consider the position of the metal as a commodity and as money.

The outlook for silver as a commodity is considered allied to other commodities. As money its future is questioned by authorities.

The pious hope is expressed by the advocates of higher silver prices that this would raise the purchasing power of the Orient. But disinterested Occidental and Oriental authorities don't agree. They would only favor the raising of the price of silver in common with prices of other commodities, not by itself. Canadian mining interests would benefit substantially if the price of silver continues to rise.

Various measures have been suggested to restore silver to a higher rank among metals. These include restoration of former high silver content in coinage, use for central bank reserves, and restrictions on marketing existing stocks. Some silver fanatics want bimetallism, which monetary authorities agree is impossible of satisfactory operation.

Position of Orient

Examination of the claim that a rise in the price of silver, to a greater extent than prices of other commodities would help the Orient, leads experts to deny the contention. One Chinese delegate to the World Economic Conference threw a bombshell into the camp of the American silver ranks by stating it w o u l d hurt Chinese internal economy.

The reasons for scepticism on silver as money have been commonly overlooked. In the first place China and Mexico are the chief silver currency countries. India also is a large consumer, but chiefly for hoarding. If the price of silver is raised more in China than other commodities in Chinese internal trade, the Chinese experts claim the result would be to deflate Chinese prices. China has avoided some measure of the devastating world price deflation because both silver and other commodities such as wheat, rice and beans have dropped in price. Thus the Chinese money, silver, and commodities have been relatively stable in terms of each other. To some extent Chinese agriculture has evaded falling commodity prices in terms of money. China does not wish to encounter it now to appease Occidental silver mining interests.

American Claims

It is claimed by American silver men, however, that higher silver prices would allow China and India to purchase more Occidental goods. The answer which others give to this is that the Chinese and Indians are large buyers of silver on world markets. If the price of silver went up more than other goods, it would make it more costly for Orientals to buy their annual silver supplies and would, therefore, offset the higher purchasing power of the silver which they hold. In brief, India and China ordinarily export goods to buy silver. They do not export silver to buy goods except in times of great hardship when hoards are drawn upon. So say the disinterested authorities.

One means of increasing the consumption of silver would be to restore a higher silver content to subsidiary coins of Occidental nations. The content was reduced when silver prices went to about $1.30 an ounce just after the war. Britain reduced the silver content of shillings, sixpences, and so on. from 925/1,000 to 500/1,000. The United States, Canada and others did about the same.

Pittman Resolution

The Pittman silver resolution at the World Economic Conference called for use of 20 per cent silver in central bank or governmental monetary reserves. This would be a modified form of bimetallism. The plan met with the approval of the conference. But it now appears to be discredited because of antagonism created among the conferees by the attitude of the United States to the conference. Thus the Pittman plan may never be implemented.

Bimetallism is the scheme which was advocated in the United States in the silver campaign of 1896. It calls for free minting of silver in a fixed ratio to gold. Monetary experts agree that this is impossible because one metal always tends to dominate the scene at the expense of the other. Moreover the peculiar conditions under which silver is mined are cited as increasing the difficulty of maintaining a bimetallic monetary system.

Silver as By-Product

It is estimated that no less than 80 per cent of the silver production of the world is by-product from output of other metals. Thus, the quantity of new silver placed on the market every year depends largely on the price of other metals. For this reason experts think silver should be regarded only as another commodity. Its price should not be manipulated as though it were a metal endowed with the sacrosanct qualities with which the world is wont to regard gold, they feel.

A threat to the silver market is the enormous stock of silver held by the government of India. It is estimated at about 400,000,000 ounces. This was accumulated in India when the country was on an international silver standard. India has shown some sympathy for the American silver propagandists, and at the world conference signified its willingness to withhold silver from the market if by so doing it could stabilize the price of the metal. Since then silver has risen sharply. It is now possible that India might place silver on the market to prevent the price rising too high.

Outlook Uncertain

From all this it is clear that the outlook for silver is distinctly uncertain. As money it is not as highly regarded as gold. More and more bankers and economists are turning to the gold standard as the best stabilizing factor for international exchanges. Mexico and China alone appear to be immune to the gold standard infection; Mexico because silver mining is an important factor in her national economy, China because it serves her internal economy satisfactorily.

Speculators in silver and silver mining shares should, therefore, pay close attention to the commodity aspects of silver. This would include:

Production, particularly in relation to other metals.

Attitude of the Indian Government toward the silver market, and imports of silver by India and China. The latter are of considerable importance because these two countries consume from 60 to 90 per cent of the normal production, chiefly for hoarding. In 1932, they took only 32 per cent of the output.

Ontario Gold June Output Is $3,648,692

Gold production in June, as reported by the Ontario Department of Mines, was valued at $3,648,692 as compared with the record production in March valued at $4,059,248. May and June in 1932 also recorded production valued at over $4,000,000.

While the total production for the first six months of 1933 was valued at $22,164,735, or some $1,000,000 below the production for the same period last year, the figures given are exclusive of exchange compensation which, if included, would make the production in Canadian funds far in excess of last year's record. The average grade of ore treated in the Porcupine district in 1933 has been $6.50 as compared with $6.38 in 1932. At Kirkland Lake the average recovery has been $12.03 per ton in 1933 as compared with $13.59 in 1932.

In the Porcupine district the order of output in June was as follows: Hollinger, McIntyre, Dome, Coniaurum, Vipond, Buffalo Ankerite. In the Kirkland Lake area the order of production was: Lake Shore, Teck-Hughes, Wright-Hargreaves, Sylvanite, Toburn, Kirkland Lake Gold and Ashley. In Northwestern Ontario the order was: Howey, Parkhill, Moss and Minto.

The following tabulation gives monthly figures for 1932 and 1933:

Ontario Gold Production

	1932 Value $	1933 Value $
January	3,682,708	3,505,198
February	3,602,966	3,615,354
March	3,847,635	4,059,248
April	3,813,989	3,681,801
May	4,079,320	3,654,442
June	4,179,045	3,648,692
Total for Gold Mines	23,243,920	22,164,735

Delta Mines Assays Matter for Study

Shareholders Should Secure at Sudbury in July 22 Meeting Explanations of Conflicting Reports

Delta Mines meeting at Sudbury on July 22 will be interesting if officials give full information as to developments to date along with a report by an independent and reputable mining engineer as to the present situation.

Records of The Financial Post show assays made by the FitzGerald laboratory, owned or controlled by John McPhail, who is interested in Delta Mines, as conflicting with assays on the carload of ore sent to the Department of Mines at Ottawa in 1932 and the report made on behalf of the Ontario Research Foundation in 1932. An explanation of these seeming disparities would be of general interest at this time as well as it is understood that there is talk of financing a broad construction and production programme. The circumstances in connection with the withdrawal from association with the company of its former consulting engineer, H. R. Bissell, is also a matter which should be studied by the shareholders.

The result of the Ottawa Mines Department assays were as follows:

Delta Mines Assays

	Assay V-1	Assay V-2
Copper	0.05%	0.2%
Nickel	.....	....
Vanadium	trace	trace
Gold*	0.004 oz.	0.007 oz.
Platinum metals	trace	trace

*Oz. per ton of ore.

It is over two years since the Delta Mines started its promotional activities, chiefly under the management of C. G. Hyett. Units in the enterprise have been selling at $250 each and Mr. Hyett told The Financial Post that he was still raising funds at this price. John McPhail is known to be intimately interested in Delta affairs and has figured prominently in the negotiations for the Mines Department testing the ore, the work done by the Ontario Research Foundation and through his Fitzgerald Laboratories. Mr. Hyett says Mr. McPhail has not yet put up any finances for the company but is waiting to finance the company's broader mill construction and production programme.

Last year the Ontario Research Foundation sent Messrs. McMillian and Gordon to the Delta property at the request of Messrs. McPhail and Hyett, to make a private report. At that time it was the vanadium to which the company's sponsors attached importance — now it is platinum. The Financial Post has seen the report made by the Research Foundation after a thorough and systematic sampling, and the report advised the Delta sponsors that no commercial vanadium or platinum was found.

Use Own Assays

Officials of Delta have not seen fit to make public the reports of either the Mines Department at Ottawa or the Research Foundation, but have freely made use of the assays of the Fitzgerald Laboratories.

Another development of concern to the enterprise is the withdrawal of the company's consulting engineer, H. R. Bissell, of Toronto, from any association with the company's activities. Ostensibly employed to make an informative engineer's report on the company's property, Mr. Bissell avows that he has had his efforts blocked in one way or another when he sought to render an intelligent report. Dissatisfied, he withdrew without completing his report or lending his name to the enterprise. He did complete an extensive sampling job on an area 350 ft. by 400 ft. which he sampled on 50 ft. corners by blasting short pop holes and concentrated the sampling preparatory to assaying. Mr. Hyett insisted that the Fitzgerald Laboratories of Sault Ste. Marie do the assaying but this was not acceptable to the engineer who insisted that it be done under his supervision.

The O'Connor claims purchased by Mr. Hyett are, according to the latter, to be ultimately turned over to the Delta Mines. In the meantime free use is being made of the Mines Department at Ottawa report on a 200 pound sample from this property, which if relatively low in values is infinitely better than the report on the Delta car sample.

Questions Asked

In order that investors might be in possession of the facts respecting the company Mr. Hyett promised early last May to answer a questionnaire on Delta's activities. Under the date of May 11, 1933, The Financial Post sent the following questionnaire to Mr. Hyett.

Does the Delta Mines Synd. or the Delta Mines Ltd. own the property? If not, what are the terms of the acquisition to be?

What shares did the vendors of the property receive and if pooled to what date?

On what do you base ore reserves of 6,800,000 tons to a depth of 300 ft. in an area 500 ft. square?

How many diamond drill holes have been put down and what is the total footage drilled in the above area?

Who made the assays?

What tonnage was sent to the Mines Department at Ottawa for test?

Was this bulk sample to be concentrated and tested for amenability to concentration or for assaying as well?

Did the Mines Department assay the samples or the concentrate? If so, what were their findings?

What have been the assay results of the concentrates made by the independent assayers?

What is the representative assay for vanadium in pounds per ton of raw ore?

What is the representative assay of platinum metal in terms of ounces per ton of raw ore?

What is the connection, if any, of James Lyons, former Minister of Lands and Forests, with the company?

Although a reply was promised by Mr. Hyett, none has been forthcoming.

NORTHERN CANADA MINING CORPORATION, LIMITED

Invests in Canadian Mines and Mining Properties

J. B. TYRRELL,
President and Managing Director,
Room 930, 25 King Street West,
TORONTO, CANADA

B. C. HOPEFUL FOR TOURIST BUSINESS

Movement Gets Under Way Later Than Usual However

From Our Own Correspondent

VANCOUVER.—Tourist traffic into British Columbia will probably show the best results this year than any year since 1930, in the opinion of automobile association officials and transportation executives.

Owing to the late summer the movement of tourists was late in getting under way, but July has so far recorded very large gains and the prospects are increasingly bright as the season advances.

Railway and steamship companies have carried out vigorous campaigns for business and have reduced fares, in addition to offering other inducements, and as a result it is predicted by rail officials that business will probably be three times as much as last year.

The Vancouver-Alaska steamship service reports particularly heavy traffic this summer. This year's tourists may not circulate as much money as during some of the boom years of the past, but there is sure to be a comfortable gain over recent years.

In addition to the regular tourist business, the gold fields of Cariboo and Bridge River have been an attraction.

IN THE HEART OF THE ROUYN GOLD BELT

Adjoining Granada Gold Mines on the East and embracing a rich mineralized geological structure, the properties of NORTHERN QUEBEC GOLD MINES are steadily being developed to the point of production.

NORTHERN QUEBEC GOLD MINES offers to investors an exceptional opportunity. Send for special circular describing the company, its properties and possibilities.

NORTHERN QUEBEC GOLD MINES, LIMITED

(No Personal Liability)
611 DOMINION SQ. BLDG., MONTREAL

Without obligation, send me Circular "B"

Name ....

Address ....

N. C. URQUHART & CO.

STOCK BROKERS

Members Standard Stock and Mining Exchange

15 King Street West Toronto, Ont.

Adel. 6028

Rumors of Legal Action Affecting Siscoe Stock

Former Toronto Broker Alleged to Be After Control of Company—Work at Property Shows Distinct Promise

Bearish rumors, vague but unsettling, have apparently prevented market valuations of Siscoe Gold Mines reflecting the increasing production and earnings shown throughout 1933 to date and the definitely favorable news with regard to mining development. One man, who is unusually well informed with regard to all aspects of the Siscoe gold effort from the beginning, is authority for the statement that this is due to a former mining broker being in the market to gain control of Siscoe.

Ordinarily such efforts to gain control might be expected to cause appreciation in the stock but the bearish rumors now being circulated have enabled those seeking control to buy for less money than would otherwise be the case, it is stated. The rumors themselves do not affect the status of the property and do not even suggest that the interests of shareholders will be affected to any large degree. They simply turn on the possibility that members of the syndicate, which sold the claims now being worked by the company, may launch legal suits against the company, and it is left to the imagination of shareholders and speculators to give a vaguely terrifying character to this news.

The company successfully defended itself not many months ago against a legal action brought against it. The Financial Post is unable to state what possible effect the new cases, if successful, can have on the interests of shareholders. Siscoe's treasury is in splendid shape, however, and those in touch with the company's affairs state that the company is amply equipped both to fight any cases brought against it and to meet any possible claims even if courts should find against the company.

Shares of Siscoe Gold Mines, considering the company's steadily increasing production and earnings position, have been out of line with similarly situated Canadian dividend-paying gold-producers. The stock has moved between a high of $1.70 per share last February and a low of $1.25 per share in January to a current price of around $1.60 per share.

Milling 300 Tons Daily

Having regard for the average daily milling rate of 175 tons in the fiscal year ended December 31, 1932, when 12 cents per share was earned, and the current milling rate of nearly 300 tons or an increase of 60 per cent, together with good reports emanating from the property, the market for these shares does not appear to be reflecting the good physical developments reported from the property.

A report on development late in June showed that the lower levels, the lowest of which is at the 975 ft. horizon, were opening up in a most satisfactory manner, while diamond drilling gives encouraging results in unexplored areas. Inasmuch as the production to date has come principally above the third level with some of the best ore showings in the lower levels, it becomes evident that production is not pressing development work.

Although the nature of the ore shoots at the property makes it extremely difficult to predict with any degree of certainty the ore reserves, the fact that production has steadily increased from 50 tons daily at the start of milling operations four years ago to a present capacity of 300 tons with further increases planned, indicates development work is meeting with success.

Production Increases

Though threat of legal proceedings has been disconcerting to some shareholders who are not intimately acquainted with the affairs of the company, the progress as reported recently by the company and as shown in a six months' report due in a few days, is expected to be of a reassuring nature. June production is the highest in the company's history.

The following tabulation shows production month by month this year:

	Tons	
January	5,693	$85,875
February	4,573	74,832
March	4,779	95,360
April	6,792	70,971
May	8,914	99,908
June	8,962	100,533
		*$527,479

*Before exchange compensation.

Halcrow-Swayze

An interesting gold development in the Swayze area that is attracting considerable attention. We have prepared a special circular on this Company. Copies on request.

J. E. GRASETT & CO.

MEMBERS

Standard Stock & Mining Exchange

302 Bay St. Toronto

Wa. 1633

To the Shareholders of

Granada Gold Mines, Limited

(No personal liability)

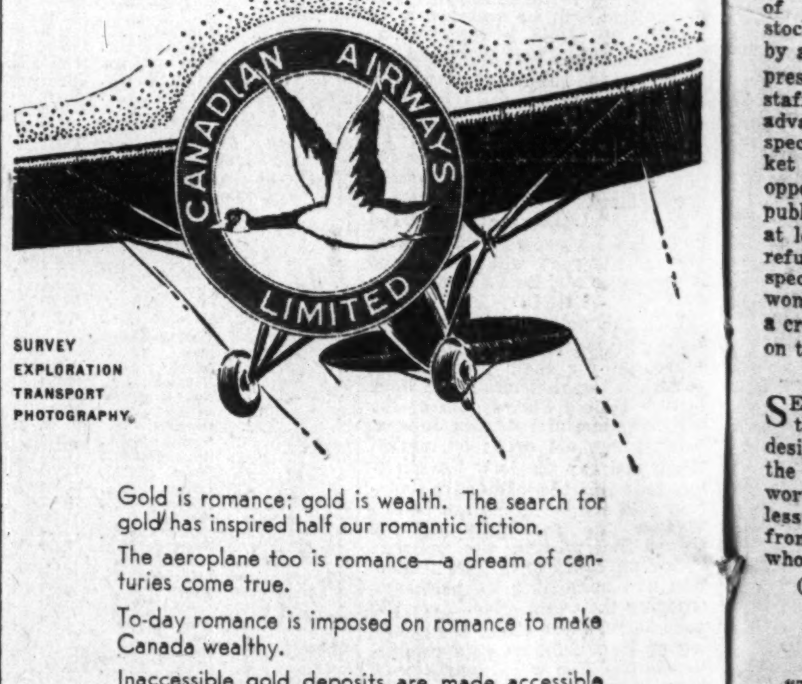
Shareholders of Granada Gold Mines Limited of record on July 31st, 1933, will be given the right to participate in an issue of shares of the Garry Gold Mines Limited, which owns large acreage in the God's Lake mining district of Manitoba. Your Company has agreed to transfer its mining claims in the God's Lake mining district to the Garry Gold Mines Limited for a substantial share interest in that company.

If your shares are not registered in your name you are requested to have the necessary transfer made.

W. A. GAMBLE,
Secretary.

Toronto, July 17th, 1933.

"GOLDEN WINGS of the North"



SURVEY
EXPLORATION
TRANSPORT
PHOTOGRAPHY

Gold is romance; gold is wealth. The search for gold has inspired our romantic fiction.

The aeroplane too is romance—a dream of centuries come true.

To-day romance is imposed on romance to make Canada wealthy.

Inaccessible gold deposits are made accessible by the aeroplane.

Most of the recent gold producers were discovered and developed with the aeroplane playing a major role.

In this important phase of our mining history, Canadian Airways has always been in the van.

CANADIAN AIRWAYS Limited

MONTREAL WINNIPEG VANCOUVER

Toronto Office - 1430 Canadian Bank of Commerce Building
Edmonton Office - Richardson Bldg.